

2013  
Public Policy  
**Agenda**

*aascu*

American Association of State  
Colleges and Universities

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## PUBLIC POLICY PRINCIPLES

AASCU's *Public Policy Agenda* is rooted in an uncompromising commitment to opportunity for the nation's students and expressed through the following core principles:

- ◆ **Higher education is a common good that provides significant benefits to individuals and society as a whole.** While the personal gains from higher education are widely acknowledged, the societal benefits are even more significant and lasting, thus warranting continued public investment. These include tangible returns through economic productivity and increased tax revenues, but even more fundamentally, through the promotion of an enlightened citizenry and greater social cohesion and inclusion.
- ◆ **America's public higher education system stands as an embodiment of the nation's democratic ideals.** State colleges and universities accomplish this by promoting broad access to education for all students, regardless of socioeconomic background, thus transforming society and setting a global standard. Amid fundamental changes in the state–campus relationship, this principle must not be compromised.
- ◆ **State colleges and universities are committed to delivering America's promise** through quality undergraduate and graduate programs that reflect responsible stewardship of the public investment; meaningful engagement with the social and economic issues facing their states, regions and communities; and the promotion of global awareness, understanding and competitiveness.
- ◆ **No American should be denied the opportunity to pursue higher education for lack of financial resources.** Affordable public sector tuition and need-based federal aid are the two requisite ingredients for realizing this ideal.

## FROM THE PRESIDENT

I am pleased to present the American Association of State Colleges and Universities' *2013 Public Policy Agenda*. This annual statement of policy principles and positions guides the association's advocacy on current and developing issues at the federal and state levels.



The 2012 elections are behind us, but the focus on improving higher education remains. State and federal policymakers will continue the theme of protecting taxpayer dollars through the use of performance-based funding at the state level and the pursuit of stricter regulation at the federal level. Complicating these efforts will be state and federal legislators' attention to creating a more affordable and outcomes-driven system of higher education as scarce dollars force an additional justification for prioritizing higher education's needs.

Driving these efforts is the need for more accurate and informative data for the consumer, requiring strengthened federal and state data systems. The higher education community will have to focus on developing relevant and accurate metrics to provide a more complete picture of student success.


The 113<sup>th</sup> Congress is faced with reauthorizing nearly every major education bill—the Elementary and Secondary Education Act (ESEA), the Higher Education Act (HEA), the Workforce Investment Act (WIA) and the Individuals with Disabilities Education Act (IDEA). Some, or none, of these will be finalized over the next year; however, federal lawmakers need to recognize the interdependence of each. Partnerships and strengthened collaboration that covers the P-20 educational continuum should be encouraged. Overarching all of this will be providing for the long-term sustainability of the Pell Grant Program.

Given President Obama's statement that postsecondary education should not be a luxury, it is imperative that education is viewed as a P-20 continuum. As such, AASCU calls on policymakers at all levels to honor their commitment to students and families. Prioritizing education as an investment in America's future and continued economic growth and prosperity is a quintessential prerequisite to

realizing our nation's collective investment. Working together will ensure that the doors of opportunity will remain open for all.

The *2013 Public Policy Agenda* is intended to serve as a point of reference for AASCU members and other interested organizations, as well as federal and state policymakers. The association and its members stand ready to do their part to ensure that higher education is worthy of the public's trust and aspiration.

Sincerely,



Muriel A. Howard

## 2013 PUBLIC POLICY PRIORITIES

### Federal Policy Priorities

- ◆ Maintain sufficient appropriation levels to support a base funding level of \$4,860 in order to sustain the value of the maximum Pell Grant award.
- ◆ Prioritize funding for the neediest individuals in any reform effort while striving for minimal impact on average award size and number of recipients.
- ◆ Support pragmatic rules in federal student aid programs that work to protect students, parents and taxpayers.
- ◆ Support legislation requiring student borrowers to pursue all federal financial aid, particularly federal loans, before utilizing private market loans.
- ◆ Support a legislative change to require mandatory institutional certification of private loans issued by lenders.
- ◆ Support the passage and implementation of the DREAM Act.
- ◆ Work to devise more accurate student progress and completion measures that account for the persistence and success of all students, including transfer and part-time students.
- ◆ Encourage federal policymakers to further explore and consider the inclusion of thoughtfully-crafted maintenance of effort (MOE) provisions in future federal higher education bills.
- ◆ Make permanent the American Opportunity Tax Credit (AOTC).
- ◆ Improve teacher preparation through the strengthening and dedication of federal funds for higher education programs.

## State Policy Priorities

- ◆ Increase state operating support for public colleges and universities in order to mitigate tuition increases and maintain college affordability.
- ◆ Support equitable performance funding incentives that promote degree completion, especially among adult and at-risk students.
- ◆ Include state colleges and universities as a partner in statewide economic development efforts.
- ◆ Advocate for states to prioritize and invest in need-based grant programs.
- ◆ Encourage states to provide qualified undocumented students with the ability to enroll in public postsecondary institutions and access to in-state resident tuition rates.
- ◆ Support the development and utilization of comprehensive student-level state longitudinal data systems.
- ◆ Encourage states to align data systems to better recognize and support efforts by institutions and systems participating in the Voluntary System of Accountability (VSA).
- ◆ Support existing state law and proposed legislation that ban concealed weapons from public college campuses.
- ◆ Include all public four-year institutions in formal state sponsored programs designed to facilitate applied research and development activities.
- ◆ Involve public institutions in the implementation of the Common Core State Standards and align curricula for teacher preparation programs to ensure that students are college- and career-ready.

## Access and Success for Low-Income and Minority Students—Title III, Title V, TRIO Programs, GEAR UP

### Federal Policy Priorities

- ◆ Protect funding for TRIO and GEAR UP, and oppose any proposal to scale back or eliminate any significant component of the programs.
- ◆ Boost funding for the Upward Bound and Student Special Services programs that serve low-income, first generation students, as well as military veterans.
- ◆ Support increased funding for Title III (Aid for Developing Institutions) and Title V (Developing Hispanic-Serving Institutions) of the Higher Education Act.

### Summary

TRIO programs are federal outreach programs to identify and serve first generation college students and individuals with disabilities. Upward Bound is a key TRIO Program that serves high school students from low-income families, particularly those in which neither parent holds a bachelor's degree. Upward Bound aims to increase the rate at which participants complete secondary education and enroll in and graduate from institutions of postsecondary education. Upward Bound supports academic instruction in mathematics, lab sciences, work-study programs and education, and counseling services.

More than 840,000 students—ranging from sixth grade through college graduation—took advantage of TRIO programs last year. Thirty-five percent of TRIO students are Caucasian, 35 percent are African-American, 19 percent are Hispanic, 4 percent are Native American, 3 percent are Asian-American, and 4 percent are listed as “Other,” including multiracial students. More than 7,000 students with disabilities and approximately 6,000 U.S. veterans are currently enrolled in the TRIO programs. TRIO programs provide academic tutoring, personal counseling, mentoring, and financial guidance, and other support for educational access and retention. As required by Congress, two-thirds of the student participants must come from families with incomes 150 percent below the poverty line and neither parent attended college.

AASCU also advocates for funding to the Ronald E. McNair Post-Baccalaureate Achievement Program through TRIO programs in order to increase the number of

undergraduate students who participate in advanced degree programs. Funding is used to encourage enrollment in advanced degree programs through mentoring, test preparation for the Graduate Record Exam (GRE), tutoring, and assistance in applying for graduate school.

GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) provides six-year grants to states and partnerships to provide services at high-poverty middle and high schools. GEAR UP grantees serve an entire cohort of students beginning no later than the seventh grade and following the cohort through high school. GEAR UP funds also provide college scholarships to low-income students. GEAR UP funding has remained even in the proposed fiscal year 2011 (FY 11), FY 12 and FY 13 budgets.

AASCU believes that growing our Historically Black Colleges and Universities (HBCUs) is important for higher education. AASCU supports proposed FY 13 funding that would support 96 HBCUs; this includes \$85 million in mandatory funding. AASCU also supports the Developing Hispanic Serving Institutions (HSIs) program, which funds competitive grants to expand and enhance the academic quality, management and fiscal stability of these institutions.

Title III and Title V funding provides support for institutions that serve large percentages of minority and disadvantaged students. Title III of the Higher Education Act also includes programs supporting Alaska native and native Hawaiian-serving institutions, Asian-American and Native American Pacific Islander-serving institutions, and Native American-serving non-tribal institutions. This funding, which is awarded both competitively and by formula, provides educational opportunity and academic services for minority students. Funds can be used to plan, develop and implement activities that support faculty development, improvement of academic programs and student services.

## Accreditation

### Federal Policy Priorities

- ◆ Advocate for an accreditor's primary role and responsibility as a conduit for institutional improvement that is not burdened with federal enforcement.
- ◆ Require public disclosure of final recommendations from an accreditation review.
- ◆ Promote the enhancement of educational quality through increased reliance on student outcomes.

### Summary

Accreditation is a process unique to American higher education, developed by the higher education community as a tool for self-improvement. There are four types of accrediting bodies—regional accrediting organizations, national career-related accrediting organizations, national faith-based accrediting organizations, and programmatic accrediting organizations. The process of accreditation focuses on quality assurance and quality improvement through self-study, peer-review and site visits. Reviewers judge institutions based on industry-adopted standards in order to award accreditation, ever mindful of an institution's particular mission. The regional and national organizations are responsible for examining the institution's total capabilities, while programmatic organizations focus their review solely on programs of study.

Accredited status by a recognized institutional accreditor—either one of seven regional or 11 national accreditors—is a requirement for federal student financial aid eligibility. As a result of this connection, the federal government uses accreditors as enforcement tools, further burdening the accreditation process for reviewers, as well as institutions. In fact, some argue that federal intervention has diluted the true mission of institutional accreditors.

This requirement has also led to more and more scrutiny of accreditors and their processes. This scrutiny is primarily directed at whether accreditors are adequately determining or reviewing the level of quality of an institution. Historically, accreditation has not determined a level of quality, but rather has determined whether the institution has the capability to provide an industry-accepted level of quality; however, as student learning outcomes are further relied upon, a clearer level of quality will emerge.

Accreditation must remain an adaptive process in order to establish and evaluate evolving educational delivery and institutional methods. Therefore, accreditors need to constantly review their level of standards of evaluation and adjust accordingly in order

to assist institutions in quality improvement. In fact, many regional accreditors have transitioned from an input dominated review process to one that relies increasingly on outputs, including developing, applying and assessing student learning outcomes. In light of these changes and increased scrutiny, the process of accreditation must rely on a more transparent process, relieving both the accreditor and the institution of public cynicism.

## Consumer Protection

### Federal Policy Priorities

- ◆ Strengthen the Department of Education's delivery of quality service through the Direct Loan Program process, especially with regard to adequate and timely loan information, early outreach to delinquent borrowers and more accommodating recovery efforts for borrowers in default. (See also Financial Aid-Student Loan Programs.)
- ◆ Support integrity in federal student financial aid programs and strengthen the original intent of the "90/10 Rule." This can be done by including all federal sources of income in the 90 percent calculation.
- ◆ Encourage and support federal loan program policies that discourage institutional manipulation of students and loan program data in order to hide fraud and abuse. Such manipulation includes placing students in deferment solely to improve an institution's Cohort Default Rate and thus remain eligible to participate in federal student aid programs.
- ◆ Encourage federal recognition of reporting structures that provide transparent and comparable consumer information through voluntary means, such as the Voluntary System of Accountability.
- ◆ Support the revision of the bankruptcy code to permit the discharge of private educational loans in bankruptcy proceedings to provide greater protection to borrowers faced with unmanageable student loan debt burden.

### State Policy Priorities

- ◆ Encourage state oversight over all postsecondary institutions to ensure adequate student-consumer protection and prevent fraud and abuse of student and public resources.
- ◆ Adopt more uniform policies for state authorization of distance education programs.

### Summary

The ever-growing and diversifying U.S. higher education marketplace holds great promise in providing students with an array of college options that can best serve their educational needs and foster their career aspirations. Unfortunately, the informational imbalance between institutions and consumers has left some students susceptible to false and misleading claims through unscrupulous practices on the part of some colleges.

In recent years, the expansion of higher education providers has been accompanied by troubling allegations of widespread consumer fraud and abuse, which has led to the prosecution of several postsecondary providers in many states. The shared regulatory triad consisting of the states, federal government and accrediting bodies has failed in many instances to provide meaningful consumer protection, resulting in harmful consequences for students and taxpayers.

AASCU supports a robust consumer protection framework for higher education that empowers students with useful, accurate data to make an informed choice about postsecondary education. The association encourages states and the federal government to pursue and prosecute educational providers that engage in fraudulent and abusive activity. Further, AASCU supports pragmatic rules in federal student aid programs that work to protect students, parents and taxpayers.

As the federal government assumes responsibility for the delivery and servicing of student loans, it is essential that borrowers have access to information and quality service on their loans. Currently, the department uses four main servicers for student loans and is required by law to use another 20 or more non-profit servicers. AASCU does not take a position on whether Congress should remove the non-profit requirement, as many of these state-based servicers have long-standing relationships with our members. AASCU does believe that departmental management of the various servicers could be better handled with a focus and priority on the borrower. Many borrowers discover that their loans are assigned to more than one servicer for a variety of reasons, often leading to confusion.

AASCU is also concerned with the increasing percentage of borrowers entering default (see AASCU's policy on Financial Aid-Student Loan Programs for more information). Some institutions, for example, use deferment or forbearance to keep the institutional cohort default rate low. The 1998 reauthorization of the Higher Education Act (HEA) changed the calculation for determining institutional eligibility by switching to a 3-year rate from a 2-year rate. This should help produce a more accurate cohort default rate for institutions.

One last loan issue under consumer protection is that of bankruptcy. Currently, an individual pursuing bankruptcy is unable to discharge educational loans. This applies to both federal and privately-issued educational loans. Since educational loans are not associated with an asset or other collateral, lenders argue that allowing discharge will increase the risk associated with issuing the loan and may affect eligibility, thereby reducing access. An individual pursuing bankruptcy in order to regain financial footing should be able to include all personal debt in this process. Currently, only proposals discharging private loans have been introduced in Congress, as the discharge of federal loans would incur a cost.

One area that would provide greater protection to consumers of an education from a for-profit institution is the strengthening of the so called “90/10 Rule.” In order to ensure that for-profit institutions were not operating solely using federal resources, Congress included a provision in the Higher Education Act to address this potential issue. The “90/10 Rule” requires for-profit institutions to receive at least 10 percent of their revenue from non-federal sources. Originally, the HEA rule was 85/15, but has since been modified. The 90 percent federal category only includes Title IV student financial aid monies, but no other federal sources. Thus, any GI Bill or Department of Defense tuition assistance funds used by eligible students at an institution are credited to the 10 percent non-federal source category. AASCU believes that all federal funds should be included within the 90 percent category and not solely Title IV student aid.

As online education providers increasingly work across state lines, the regulation of distance education is of growing significance. Complexity, confusion and costs of compliance would be reduced through greater commonality in state compliance or if institutions only had to comply with the rules of a single jurisdiction recognized by all states. Abuses in the delivery of distance education require a clear, understandable state grievance process for students. In addition, quality assurance mechanisms need to be in place to ensure that students are receiving value for their investment.

### **Resource**

AASCU *Policy Matters* policy brief

*Changing Dynamics in State Oversight of For-Profit Colleges*—April 2012.

## Economic and Workforce Development

### Federal Policy Priorities

- ◆ Advocate for reauthorization of the Workforce Investment Act (WIA) to more fully include and recognize the role of public four-year colleges and universities in workforce education; include state college and university leaders in planning and decision-making processes for state utilization of federal WIA funds.
- ◆ Support broadband investments that enhance rural access, which in turn will provide increased access to postsecondary education.
- ◆ Advocate for increasing the allowable time limits under which welfare recipients can pursue higher education as a direct work activity, given that the current 12-month limit imposed on states forces many welfare recipients to leave college before receiving the needed education and training.
- ◆ Support federal grants focused on urban communities that address specific needs unique to the urban environment, such as teacher enhancement, college access and the revitalization of local economies.
- ◆ Support workforce training programs that link institutions of higher education with the manufacturing sector and incentivize private sector investment in these partnerships.

### State Policy Priorities

- ◆ Urge states to include the higher education community as an essential partner in statewide economic development efforts.
- ◆ Call for state policies and programs that promote the role of higher education, including public four-year institutions, in the development of the human capital that is essential to advancing state and local economic development, and in meeting workforce needs.
- ◆ Include all public four-year institutions in formal state sponsored programs designed to facilitate regional economic development.

### Summary

Economic and workforce development is a strong focus of state colleges and universities. These institutions are anchors within their communities, serving as a pivotal link between public and private sector stakeholders. AASCU institutions are champions for

regional economic innovation, competitiveness and prosperity. They focus on promoting economic and workforce development; community revitalization; teacher recruitment; and greater access to college for rural and urban high school students. Therefore, our institutions support federal programs that maximize the educational and outreach capabilities of rural and urban public universities. Federal support for programs that assist regional state colleges and universities to foster the economic, workforce and education system capacities of rural and urban communities is highly encouraged.

One example of federal support is the Department of Agriculture's Rural Cooperative Development Grant (RCDG) program, which provides support for rural broadband enhancements that facilitate rural access to postsecondary education. Another example is funding through the Department of Housing and Urban Development's Office of University Partnerships (OUP), which facilitates the formation of campus-community partnerships that enable students, faculty and neighborhood organizations to work together to revitalize the economy, generate jobs and rebuild healthy communities.

## Financial Aid—Campus Based Programs

### Federal Policy Priorities

- ◆ Support continued funding for the Federal Supplemental Educational Opportunity Grant Program, Federal Work Study Program and Perkins Loan Program.
- ◆ Advocate for new federal capital, continued institutional discretion to determine student awards based on need, and maintenance of at least current institutional award level in any Perkins Loan Program restructuring.
- ◆ Support a policy that requires the federal government to fully reimburse institutions for Perkins Loan cancellations pertaining to service-related activity in the military, teaching, public service, law enforcement, corrections and firefighting.
- ◆ Any revamped funding formula(s) for campus-based programs should provide for expanded participation and more equitable distribution among institutions.

### Summary

In addition to grants and loans, the federal government provides roughly \$1.7 billion annually in student financial aid, but rather than providing these funds directly to students, they are awarded by the institution. The two programs that provide these funds are the Supplemental Opportunity Education Grant Program (SEOG) and the Federal Work Study Program (FWS). SEOG funds are provided to supplement Pell-eligible student awards, further decreasing college costs for these recipients. The FWS provides money during the academic year to students in exchange for campus or community-based employment. While this aid is awarded in the students' aid package, the money provides relief for educational expenses realized during the school year. Not all institutions receive SEOG or FWS monies, nor are funds equitably distributed through these programs.

For the Perkins Loan Program, which is also campus-based, loans are awarded by the institution to undergraduate and graduate students who demonstrate unmet financial need. The interest rate on these loans is 5 percent. Institutions participating in this program are required to match the federal capital funds with one-third of their own dollars when issuing a loan.

The Obama administration's fiscal year 2013 budget proposed a revamping of funding formulas for campus-based programs. While not providing specifics, the plan called for rewarding institutions in three criteria areas: keeping tuition low, providing quality, and serving and graduating low-income individuals. There are numerous complications inherent in defining these criteria. When focusing on low increases in tuition, does one

factor by percentage or actual dollar amount? In trying to define quality, institutions may be held to an ever changing standard. Quality for one individual may not mean the same to another. The clearest criteria of the three is serving and graduating low-income students, however, even measuring this area can be complicated.

## Financial Aid—Student Grant Programs

### Federal Policy Priorities

- ◆ Maintain sufficient appropriation levels to support a base funding level of \$4,860 in order to sustain the value of the maximum Pell Grant award.
- ◆ Prioritize funding for the neediest individuals in any reform effort while striving for minimal impact on average award size and number of recipients.
- ◆ Support continued funding for the Supplemental Education Opportunity Grant Program (see also Financial Aid—Campus-based Programs).

### State Policy Priorities

- ◆ Advocate for states to prioritize and invest in need-based grant programs that align with federal aid programs.
- ◆ Support state programs that facilitate the completion of postsecondary credentials for non-traditional student populations.

### Summary

Grant funding is the simplest form of support for students pursuing postsecondary education. The funds originate from federal, state and institutional funding sources. In many cases, these programs complement each other and offer access to students who might otherwise not have the opportunity to further their education. While some state and institutional programs award grant funding on a merit basis, AASCU advocates for the focus of all grant programs to be awarded based on need, as determined by financial circumstances.

The mainstay of federal financial aid programs is the Pell Grant Program. Pell funding is projected to account for nearly \$40 billion in fiscal year 2012, nearly three times the amount spent in 2007 of \$14.4 billion. The 2012 amount supports an estimated 9.4 million students, compared with 5.4 million students in 2007. The maximum award was \$4,310 in 2007 but climbed to \$5,550 in 2012—a nearly 30 percent increase.

Moving in to fiscal year 2014 (FY 14), the Pell Grant Program will present some difficult funding challenges not unlike fiscal year 2012 (FY 12). Heading in to FY 12, Congress faced an \$11 billion funding shortfall for Pell. That year, Congress secured additional funding, some from revamping other financial aid programs, and also made reform changes to the program. The most notable change was the elimination of awarding a second Pell Grant award in the same academic year (more commonly

known as “Summer Pell”). Entering the FY 14 cycle, the discussion will revisit finding additional sources of funding and evaluating programmatic reforms, including the altering of student eligibility criteria. The projected shortfall—the projected amount needed to sustain the program without change and the amount available through the appropriations process—is approximately \$5 billion.

Potential casualties of this budget debate will be the Supplemental Education Opportunity Grants Program and Federal Work Study Program. As federal budgets tighten and funding levels are lowered, these programs will compete with Pell and other priorities for funds. The important role these programs play in providing access is enormous. For further discussion of these programs, see Financial Aid—Campus-based Programs.

**Resources:**

*AASCU Pell Action and Resource Center*

## Financial Aid—Student Loan Programs

### Federal Policy Priorities

- ◆ Support legislation requiring student borrowers to pursue all federal financial aid, particularly federal loans, before utilizing private market loans.
- ◆ Support a legislative change to require mandatory institutional certification of private loans issued by lenders. This will help ensure that students and families fully utilize less expensive federal and state financing options, such as subsidized and unsubsidized federal Stafford Loans and PLUS Loans, before utilizing more costly private loans.
- ◆ Support the revision of the bankruptcy code to permit the discharge of private educational loans in bankruptcy proceedings to provide greater protection to borrowers faced with unmanageable student loan debt burden.
- ◆ Ensure that the Department of Education delivers high-quality service through the Direct Loan Program process, especially with regard to adequate and timely information, early outreach to delinquent borrowers, and more accommodating recovery efforts for borrowers in default.
- ◆ Advocate making interest rates on all federal Direct Loans variable and set at a reasonable level above the cost of issuing capital for the government.
- ◆ Support legislation requiring the Department of Education to promptly contact delinquent borrowers in the Direct Loan Program, in order to avoid default.
- ◆ Encourage the Department of Education to utilize all necessary federal and institutional sources to maintain contact with borrowers during the six-month post-graduation grace period so that they can successfully enter repayment.
- ◆ Support a requirement that immediately assigns any federal Stafford Guaranteed Loan that is past due for a specified period of time to the Department of Education. The department should immediately inform the borrower of the full range of repayment options and assist in selecting an option most appropriate to the financial circumstances of the borrower.
- ◆ Support a change in federal student loan policy that collects only the amount currently due and manageable instead of adhering to a practice of declaring the entire loan amount due. Such a change in policy would allow borrowers to cure their past-due status. It would also mitigate the accumulation of excessive collection charges and

fees collection agencies assess as penalty fees based on the entire loan rather than just the payments due to date.

## Summary

Beginning on July 1, 2010, the federal government became the single entity issuing federal student loans, known as the Direct Loan Program. Prior to that date, both the federal government and other private market lenders issued federal student loans. While the federal government had prior experience in issuing student loans (the inception of the Direct Loan Program dates back to 2003), the federal government only provided about one-third of the total federal student loans in any given year. For academic year 2012-13, the total volume of federal student loans is estimated to be about \$114 billion, supporting over 22 million loans. The administration anticipates that 22.5 million loans will be issued, totaling over \$120 billion in academic year 2013-14.

Federal loans limit the amount a student may borrow, depending on the enrollment year of the student. A first-year student is limited to \$5,500, a second-year student may borrow \$6,500, and third-year students and above may borrow up to \$7,500. There is a lifetime limit of \$31,000 (the limits mentioned here are for dependent undergraduate students; limits for independent and graduate students differ and are significantly higher).

Currently, the interest rate for a Stafford Loan is 3.4 percent, while unsubsidized Stafford Loans and student PLUS loans have an interest rate of 6.8 percent. The 3.4 percent interest rate was established in the College Cost Reduction and Access Act of 2007 in an annual stepped-down approach from 6.8 percent. There are nearly 23 million borrowers receiving federal Stafford, subsidized and unsubsidized loans. Only 7.5 million borrowers receive subsidized loans and have the benefit of the 3.4 percent. Further, the federal government issues federal loans at an extremely low cost. Nearly all interest paid by the student goes directly to deficit reduction. The federal government should not rely so heavily on student borrowers to finance deficit reduction. Therefore, AASCU would support a new interest rate for all federal loans that more accurately reflects the cost of issuing the capital to the government. This new rate would be variable and could be about 1.5 percent above the appropriate federal note, such as the 10-year Treasury Note.

In addition to federal loans, students may also seek loans from private banks for educational expenses. These are sometimes referred to as “gap loans,” since they are used to make up the difference between the cost of attending an institution of higher education and the amount received through federal, state and institutional grant aid, federal loans and federal work-study monies.

Students should always exhaust federal loan options before opting to pursue loans through private market lenders. Federal student loans have a number of benefits to private loans, including:

- ◆ **Subsidized loans**—For lower-income borrowers, all or a portion of their federal loan may be subsidized. This simply means that the federal government will “pay for” the accruing interest while the individual is enrolled as a student.
- ◆ **Same low interest rate for all borrowers**—The rate is currently 3.4 percent for subsidized loans and 6.8 percent for all other loans (even in this low-interest rate market, most private lenders do not offer student loans below 6.8 percent, those that do issue to low-risk borrowers.)
- ◆ **Flexible repayment options**—The federal government has two programs that ease the burden of repaying loans by basing a borrower’s repayment amount on the individual’s income. They are the Income Contingent Repayment (ICR) and the Income Based Repayment (IBR) Programs. In addition to IBR and ICR, the federal government offers deferments based on severe circumstances and can even completely forgive loans.

The transition to 100 percent federal loans issued through the Direct Loan Program has exposed some weaknesses in the department’s capabilities in the areas of servicing and collecting. Constant vigilance of Department of Education activities must be maintained in order to protect the borrower.

Another area of growing concern is student loan defaults. AASCU believes that given the tools available to the Department of Education, it should be extremely difficult for a borrower to enter default. As such, AASCU has taken a number of policy positions around default prevention. The tools available to the department primarily include Income Based Repayment and Income Contingent Repayment. Borrowers who have either a Direct Loan or Federal Family Education Loan that have reached a specified period of time in delinquency—but before default—should have their loans transferred to the government so that these tools can be applied. Special handling should be established for those borrowers who have recurring repayment problems. According to department data, lack of up-to-date contact information is the major cause of loan defaults. As such, institutions have a role and responsibility in assisting the department with maintaining continuous contact with borrowers.

## Graduate Education

### Federal Policy

- ◆ Support the continued funding of federal programs targeted to ensure access to graduate programs for underserved populations.

### Summary

While some AASCU institutions offer doctoral programs, most AASCU members offer master's degree programs. As such, financing and sustaining access to these programs is a part of AASCU's policy agenda. Graduate education provides students with the opportunity to engage in a specific academic area on a much deeper level. Further, the research pursued in these programs often helps to propel the development of new technologies and improved products. The combination of well-educated students and technology development affords employers the opportunity to hire qualified employees skilled in innovation; this ultimately leads to economic growth and prosperity for the locality, region and state.

The federal government has funded several programs that support the continued development of graduate education, as well as provide access to needy students. The Graduate Assistance in Areas of National Need (GAANN) program provides funding to institutions to support students with superior academic ability pursuing a graduate degree in an academic area of national need. Institutions participating in this program must establish policies and procedures for attracting students from traditionally underrepresented populations. Similar to GAANN, the McNair Post Baccalaureate Achievement program under the federal TRIO program supports access to doctoral programs for low-income, underrepresented students. In 2012, the Department of Education reprogrammed TRIO funds in such a manner as to reduce the McNair program funding level by \$10 million. AASCU opposed this change.

One area of recent concern has been the elimination of subsidized federal loans for graduate students. Prior to passage of the 2011 Omnibus Appropriations Act, graduate students were afforded subsidized federal loans in order to pursue their higher degree. As a result of the act, the federal government ceased offering loans where the federal government paid the accruing loan interest while the student was studying for a graduate degree. The savings from this provision were directed toward the Pell Grant Program. While placing a high priority on the Pell Grant Program, AASCU is becoming increasingly alarmed at Congress' propensity to take from one federal student aid program to fund another.

## Immigration

### Federal Policy Priorities

- ◆ Support the passage and implementation of the DREAM Act.
- ◆ Provide states with full authority in setting tuition policy involving undocumented students without undue influence regarding federal funding.
- ◆ Relieve problems associated with the valid acquisition of H-1B visas and EB green cards.

### State Policy Priorities

- ◆ Encourage states to provide qualified undocumented students the ability to enroll in public postsecondary institutions, access to in-state resident tuition rates, and access to state student aid grant programs.
- ◆ In states that do not have a policy regarding tuition pricing for undocumented students, provide institutions with the autonomy to set the policy.
- ◆ Encourage states to provide in-state resident tuition rates to all student citizens who can demonstrate an affinity to the state, regardless of the immigration status of their parents.

### Summary

AASCU supports strong, comprehensive immigration reform, including passage of the Development, Relief and Education of Alien Minors (DREAM) Act. Every year approximately 65,000 undocumented students graduate from high school in the U.S. These students are first generation immigrants who were primarily raised in the U.S. and consider themselves Americans. Passing the DREAM Act would clarify existing federal immigration law to allow states to determine the tuition status of undocumented students. It would also strengthen access to federal loan and work study programs for qualified undocumented students. Student qualifications may include those who were brought to the U.S. under the age of 16; have resided in the U.S. for five or more years; have graduated from a U.S. high school; and are individuals of good moral character pursuing postsecondary education to qualify for permanent residency status. AASCU believes that states' authority over tuition policy must be preserved and respected.

Absent Congressional action on the DREAM Act, AASCU supports the June 2012 administrative action that enables immigrant students to stay in the U.S.

Undocumented students who graduate from a state high school, document state residency and demonstrate intent to obtain U.S. citizenship should be eligible for in-state, resident tuition rates. States should be discouraged from efforts to prohibit or restrict undocumented students from enrolling in public institutions. In contrast, a student who is a U.S. citizen but whose parents are undocumented but can demonstrate residency in a particular state should be afforded all rights and privileges that every other citizen of that state receives.

### Immigration and Visa Control of Foreign Students

Current law permits exemptions from the annual visa cap on H-1B visas for the academic community. AASCU supports legislative changes that would raise the current annual limit on new visas issued for employers.

### Resources:

- AASCU *Policy Matters* Policy Brief:
- *State Policies Regarding Undocumented College Students: A Narrative of Unresolved Issues, Ongoing Debate and Missed Opportunities*—March 2011.
- U.S. Department of Homeland Security—U.S. Citizenship and Immigration Services
- National Immigration Law Center
- National Council of La Raza
- The University of Houston Law Center

## **Institutional Accountability and Data Reporting**

### **Federal Policy Priorities**

- ◆ Focus national college completion and educational attainment goals and federal evaluation efforts on the absolute number of Americans with a degree or certificate, including transfer and part-time students.
- ◆ Work to devise more accurate student progress and completion measures that account for the persistence and success of all students, including transfer and part-time students.
- ◆ Improve the value of institutional evaluation by using students' federal financial aid status as a proxy for income, and assure that these disaggregated rates are reported in IPEDS in order to better compare completion data for similar groups of students.
- ◆ Discourage federal efforts requiring states and/or institutions to collect overly burdensome, intrusive and/or unnecessary student data, while supporting data collection that directly informs key educational outcomes.
- ◆ Encourage federal recognition of voluntary reporting structures such as the Voluntary System of Accountability, a joint initiative between AASCU and the Association of Public and Land-grant Universities (APLU) that provides greater transparency of demographic information and core educational outcomes.

### **State Policy Priorities**

- ◆ Support the development and utilization of comprehensive state data systems, as well as the advancement of an integrated network of state data systems—based on common data elements—to serve as a privacy-protected state-based system of student-level longitudinal data.
- ◆ Support state efforts to work with the higher education community, state agencies and the federal government to improve and expand student data systems to inform educators and policymakers on strategies for improving student participation, retention and completion. Statewide and multistate student data systems enhance the ability to identify challenges associated with, and solutions for, improving student success.
- ◆ Encourage states to align data systems to better recognize and support efforts by institutions and systems participating in the Voluntary System of Accountability.

## Summary

AASCU is committed to providing accurate, up-to-date data to inform institutional, state and federal policy decisions; encourage scholarly efforts on improving student success and institutional productivity; and empower students to make informed college choices, all while preserving student privacy. The association seeks streamlined state and federal data reporting requirements in order to minimize the regulatory burden on college campuses. Any proposed data collection systems should ensure that the benefits and the accuracy of the information outweigh the costs imposed on institutions. To maximize the utility of this data, the collection systems should have comparable definitions for ease of use by policymakers, researchers and other stakeholders.

State colleges and universities also seek to ensure that data reporting requirements account for the entire student population, including substantial numbers of part-time and transfer students. For federal purposes, this data should be reported by students' financial aid status defined by the Higher Education Act for the following groups: Pell Grant recipients, Subsidized Stafford Loan recipients who are not Pell Grant recipients, and students who do not receive any federal aid or who receive only unsubsidized loans. This requirement recognizes that students' socio-economic status affects the likelihood of college graduation, and that it is beneficial to compare graduation rates for similar groups of students.

Many state colleges and universities have demonstrated their commitment to transparency and accountability through their longstanding involvement in the Voluntary System of Accountability (VSA). VSA is an evolving framework of comparable, transparent data and information that facilitates the college selection process, supports institutions in the measurement of educational outcomes, and assists in the identification and implementation of effective practices. VSA is currently working to improve its visibility and utility as a top destination for informing college choice.

## Resources

- *Voluntary System of Accountability*
- *College Portraits*

## International Education

### Federal Policy Priorities

- ◆ Provide gradual restoration of funding for international education programs which have been consistently cut for the last three years.
- ◆ Encourage student and faculty exchanges supported by the creation of a national study abroad program.

### Summary

International education is an important component of higher education. AASCU institutions take great pride in offering robust international education programs. Educating students who are fluent in multiple languages and understand diverse cultures is critical to our national security. AASCU believes it is prudent to establish a national study abroad program, particularly for students from underrepresented institutions and populations. We also support the removal of barriers to the open exchange of scholars among all nations and oppose limitations on student and faculty study abroad, except in instances of personal health and security issues. Moreover, there should be an expansion of student exchange programs with foreign countries for colleges and universities, and further easing of travel restrictions imposed by the Department of Treasury that serve as barriers to student/faculty exchanges with Cuba.

During the current difficult budget environment, many of the Department of Education's Title VI programs have been cut or scaled back. AASCU would urge that this funding be gradually restored as budgetary circumstances allow. This includes programs such as Fulbright-Hays, the Institute for International Public Policy and Title VI international education centers.

AASCU believes that good data and evaluation will help the Title VI programs grow and flourish. We propose establishing an evaluation and dissemination process for Title VI and Fulbright-Hays programs. Each Title VI/ Fulbright-Hays program should develop and standardize new performance and outcome measures with the goal of producing performance and outcome measures that are easily accessible to the public. This should also include an overhaul of the departmental system regarding the collection and reporting of grantee data, the International Resource Information System (IRIS).

## Research and Development

### Federal Policy Priorities

- ◆ Continue support for undergraduate research and mentoring in science, technology, engineering and math fields (STEM) and for pipeline programs promoting P-20 partnerships and articulation agreements that complement established graduate and research programming.
- ◆ Support programs that engage students, especially undergraduates, in applied research activities which support priorities in health care, energy, environmental science and national security.
- ◆ Support technology transfer programs that link institutions of higher education with the manufacturing sector and incentivize private sector investment in these partnerships.

### State Policy Priorities

- ◆ Support state initiatives designed to prepare students' interest in and training for careers that involve STEM disciplines, both at the K-12 and postsecondary levels.
- ◆ Include all public four-year institutions in formal state sponsored programs designed to facilitate applied research and development activities.

### Summary

Research is predominantly conducted at institutions of higher education. There are two types of research, basic and applied. Basic research advances fundamental knowledge. Basic research leads to applied research, which builds on the discoveries and attempts to determine practical solutions. Most basic research is performed at research-intensive universities, including some AASCU institutions, while nearly all institutions are involved in applied research in some form. AASCU institutions tend to offer students an opportunity to engage in research projects during their undergraduate experience. These institutions focus much of their research on the development and improvement of the communities in which they are located.

One area that is currently receiving considerable federal attention is STEM education. Most of this attention is due in large part to these academic areas' contributions to the nation's economy. While the government continuously funds promising research projects, a large focus of STEM research involves recruiting underrepresented populations—including students of color, low-income and women—into STEM fields. Policies in the STEM fields should encourage this principle and recognize each sector's

contribution. Federal policies should also encourage economic development and regional growth as they relate to STEM research and education.

A specific and targeted subset of research involves more sustainable and efficient means of energy production. The most appropriate avenue for funding these technologies is through university research projects focused on sustainability, renewable energy and green technologies. AASCU supports continued funding through the Department of Energy, the Environmental Protection Agency and other federal agencies that achieve this goal.

## State Operating Support and Use of Federal “Maintenance of Effort” Provisions

### Federal Policy Priorities

- ◆ Encourage federal policymakers to further explore and consider the inclusion of thoughtfully-crafted maintenance of effort provisions in future federal higher education spending bills.

### State Policy Priorities

- ◆ Encourage state lawmakers to view their public colleges and universities as economic assets that provide critical competitive leverage; thus, operating support for public postsecondary institutions and per-student appropriations should be elevated as a state policy priority in order to mitigate tuition increases and maintain college affordability.
- ◆ Support states’ utilization of equitable performance funding incentives that promote institutional efforts to boost degree completion and account for the diverse missions within the public higher education sector.

### Summary

A confluence of demands on state revenue has led state lawmakers to disinvest in public higher education, leaving students and families to carry an ever-increasing share of the cost of a college education. The increasing financial burden and mounting student debt levels may discourage students’ entry and completion of a postsecondary degree or credential at a time when the nation’s economy needs broad-based increases in human capital.

To counter these trends, the federal government can leverage its spending power to encourage states to maintain their financial commitment to public higher education. Federal maintenance of effort (MOE) provisions require states to maintain spending above a certain threshold in order to receive federal funding tied to specific programs. These MOE provisions aim to ensure that federal funds are used to supplement state funding for a specific purpose, rather than supplant existing state monies. The inclusion of MOE provisions are one way to encourage states to re-invest in higher education; such investments can in turn mitigate rising college tuition prices and better ensure college affordability.

An analysis conducted by AASCU involving MOE provisions included in three separate pieces of federal legislation suggests that states likely calibrated their public higher education spending in order to meet thresholds defined by the federal laws. Without

these provisions, states likely would have made deeper funding cuts to higher education and supplanted state funds with federal monies, leading to higher tuition rates for students and families. State spending data related to MOE provisions suggest that this can be an effective strategy in prompting states to uphold their financial commitment to higher education.

**Resources:**

- *Update on Federal Maintenance of Effort Provision: Reinforcing the State Role in Public Higher Education Financing*, AASCU, July 2012.
- *“Maintenance of Effort”: An Evolving Federal-State Policy Approach to Ensuring College Affordability*, AASCU, April 2010.

## Tax Policy

### Federal Policy Priorities—Student-Related Tax Policy

- ◆ Make permanent the American Opportunity Tax Credit (AOTC) as established in the American Recovery and Reinvestment Act. The AOTC assists low-income students by providing a tax credit up to \$2,500. Taxpayers receive a tax credit based on 100 percent of the first \$2,000 of tuition, fees and course materials paid during the taxable year, plus 25 percent of the next \$2,000 of tuition, fees and course materials. Up to a maximum of 40 percent of the amount of the credit is “refundable.” (Extended five years by the American Taxpayer Relief Act.)
- ◆ Advocate for a provision in the AOTC that exempts Pell Grants from being applied toward tuition and fee costs that are used to determine the amount of the tax credit, in order for low income individuals to take advantage of the full credit.
- ◆ Support the establishment of a federal tax exemption on the forgiven loan amount for borrowers in the Income Contingent Repayment (ICR) and Income Based Repayment (IBR) programs.
- ◆ Make permanent changes to the Student Loan Interest Deduction (SLID), a federal income tax deduction that permits single taxpayers with a modified adjusted gross income less than \$70,000 (\$145,000 for joint filers) to deduct up to \$2,500 in federal student loan interest payments. (Made permanent by the American Taxpayer Relief Act.)

### Federal Policy Priorities—Institution-Related Tax Policy

- ◆ Retroactively extend and make permanent the Individual Retirement Account (IRA) Charitable Rollover, which expired at the end of 2011.
- ◆ Make permanent Section 127 of the tax code (Employer-provided Educational Assistance) that permits employers to offer up to \$5,250 in tuition assistance to employees annually. Employers and student employees are eligible for these tax benefits. (Made permanent by the American Taxpayer Relief Act.)
- ◆ Advocate for reform of the federal estate tax in such a manner that encourages investment in charitable organizations and local communities, and balances the needs of farmers and small business owners. Without an extension of current law, the exemption would return to \$1 million per person, taxed at a rate of 55 percent. Under current law the exemption is \$5 million per person.

## **Summary**

The tax code has been a strategic tool for middle-income families to address costs associated with a college education. While tax policy does not reduce the college costs at the outset, it does provide assistance to students and families on a retroactive basis. As such, AASCU strongly supports reform of multiple current tax credits and tuition deductions that involve tax benefits for both students and institutions.

## **Student Related Tax Policy**

AASCU urges policymakers to create a simpler and consolidated higher education tax credit to provide students and families with assistance in financing baccalaureate and post-baccalaureate education and lifelong learning. Most important for AASCU is congressional action that extends or makes permanent provisions that will directly benefit students. The American Opportunity Tax Credit (AOTC) is designed to assist low-income students, and for those who have no tax liability, 40 percent of the tax credit is refundable to the student. In addition, AASCU will seek legislative changes that improve the AOTC and increase the amount of tax relief. AASCU also supports an expansion of eligible expenses, increases in the phase-out of income thresholds, and a provision to replace current limits with a lifetime cap of \$15,000. One key aspect of these reforms is to stress the priority for maintaining the 40 percent partial refundability of the current AOTC to aid in making postsecondary education more affordable. Finally, Pell Grants should not be used in determining the amount of the tax credit. AASCU supports a provision that exempts Pell Grant awards from being applied toward tuition and fee costs in order for low-income individuals to take full advantage of the AOTC.

To soften the growing student debt burden, students who are required to borrow should be allowed a federal income tax deduction of up to \$2,500 in federal student loan interest payments. Further, student borrowers in the Income Contingent Repayment and Income Based Repayment programs should receive a federal tax exemption on the forgiven loan amount. Currently, the amount forgiven is considered taxable income, thus placing a tax burden on an individual with limited income. These measures make college more affordable by reducing the total costs of borrowing to students.

## **Institution-Related Tax Policy**

Charitable and other tax provisions are valuable federal mechanisms that provide the opportunity for individuals to contribute to a variety of campus priorities, such as student scholarships, investments in teaching and learning, facility enhancements and research.

AASCU calls for retroactively extending and making permanent the IRA Charitable Rollover, which promotes institutional giving by allowing IRA owners starting at age 70 ? to make tax-free charitable gifts to an institution of higher education, up to \$100,000 per year.

Employers would be able to offer up to \$5,250 in tuition assistance to employees annually and receive a tax benefit if the Employer-Provided Educational Assistance Benefits provisions of the Internal Revenue Code are extended or made permanent.

A majority of states do not charge an estate tax, fearing that it would discourage wealth producers, but this issue is very much alive in the tax reform debate among federal policymakers. The federal government views the estate tax as a revenue source. As policymakers examine reform of the estate tax, AASCU encourages them to seek a balance in the needs of farmers and small business owners while encouraging investment in charitable organizations and local communities.

## Teacher Preparation/Elementary and Secondary Education Act

### Federal Policy Priorities

- ◆ Improve teacher preparation through the strengthening and dedication of federal funds for higher education programs.
- ◆ Require a strong clinical preparation component of teacher preparation programs in partnership with high-need schools while providing data for feedback.
- ◆ Strengthen the federal role in fostering partnerships and collaboration among local education agencies and institutions of higher education.

### State Policy Priorities

- ◆ Support state efforts to establish and implement rigorous standards of learning for students in teacher preparation programs. These standards should address both specific content area comprehension and knowledge of appropriate methods of instruction and should be used to promote public accountability.
- ◆ Involve public institutions in the implementation of the Common Core State Standards and align curricula for teacher preparation programs to ensure that students are college- and career-ready.
- ◆ Encourage states to develop comprehensive teacher workforce strategies that address teacher quality, recruitment, distribution and retention.

### Summary

Both Congress and the administration have introduced proposals that shift the focus of teacher preparation and support from higher education to the K-12 sector. Legislative proposals would eliminate funding streams now designated for higher education and direct them to elementary and secondary schools.

The administration is also proposing to replace the TEACH Grant Program with the Presidential Teaching Fellows Program. This program would provide grants to states to fund scholarships of up to \$10,000 for students in their last year of study enrolled in high-performing teacher preparation programs. Only programs defined as high-performing would be eligible to participate in this program. The current TEACH Grant Program provides annual grant awards of up to \$4,000 to eligible undergraduate and graduate students who agree to serve as a full-time teacher in a high-need school or

subject for no less than four years within eight years of graduation. The key concern with this change is how the federal government, or possibly the state, would define a high-performing teacher education program.

Education reform should be approached in the context of a continuum, beginning in pre-school and ending with graduate school (P-20). Efforts to improve education at all levels and sustain that improvement will be most effective through collaborative efforts between local education agencies and institutions. These partnerships will improve teacher preparation and in-service training programs and strengthen curriculum development.

### **Resources**

- *Summary: Higher Education Task Force on Teacher Preparation—Federal Teacher Preparation Issues and Concerns*
- *Summary: Higher Education Task Force on Teacher Preparation—Principles for Evaluating Teacher Preparation Programs*
- *Educator Myths and Facts, American Association of Colleges for Teacher Education*
- *Reforms Under Way in Educator Preparation, American Association of Colleges for Teacher Education*

## Veterans Education and Military Servicemembers

### Federal Policy Priorities

- ◆ Provide full entitled benefits for active-duty military personnel and veterans.
- ◆ Support continued legislative changes and/or technical corrections to the Post-9/11 Veterans Educational Assistance Act of 2008 in order to make procedures simpler and more transparent, as well as standardize benefit processing in accordance with accepted higher education practices.
- ◆ Support efforts by the Veterans Administration and Department of Defense to collect and widely disseminate reasonable data on enrollment, year-to-year retention and graduation rates of military and veteran students.

### State Policy Priorities

- ◆ Encourage states to support programs that facilitate veterans' entry into and success in postsecondary education.

### Summary

AASCU believes that programs such as the Centers of Excellence for Veteran Success, authorized under the Higher Education Act (HEA), would promote veterans success in postsecondary education. Congress has been particularly interested in veterans' success in postsecondary education. Currently, Congress is debating several pieces of legislation that would expand disclosure and data collection, as well as provide veterans with additional information to inform decisions regarding enrollment in a higher education institution. Both the House and Senate Veterans Affairs Committees have passed legislation that would dramatically increase reporting requirements related to veterans. AASCU believes that veterans currently have an abundance of consumer data available to inform their decisions, but recognizes that such data can be presented in a more consumer-friendly manner. In their deliberations, legislators should factor in the data-intensive reporting burdens that continue to be placed on institutions—which become unfunded mandates in a time of rising college costs. AASCU is committed to assisting returning veterans and is doing its best to work with Congress and the Veterans Administration (VA) to give veterans the tools they need to make informed decisions.

AASCU believes that veteran students should receive their full education benefit entitlement for military service, regardless of other forms of financial assistance. No student-reservist should be required to repay any unearned federal student aid received for an academic term in which they are called to active duty. Efforts should be made by the federal government to reduce administrative burden on institutions. There should be

continued collaboration with appropriate stakeholders to attempt to mitigate confusion for veteran students.

Specifically, the VA is reducing a student veteran's educational benefit by any debt owed by the veteran to the VA. This reduces the amount that both the institution and the student expected in covering the cost of attendance. This policy requires the institution to recoup the funds from the veteran student and shifts the debt collection role from the VA to the institution.

Furthermore, AASCU supports transparency of VA veteran benefit and student data, and encourages sharing data with appropriate stakeholders in order to assist higher education institutions, the VA and the Department of Defense in determining better ways to serve veteran students, as well as aid in program accountability. AASCU supports VA or congressional efforts to allow school-certifying officials with appropriate, secured access to VA data systems containing timely information on veteran students' remaining education benefit eligibility. Institutions need limited access to this data in order to better process veteran students' benefit paperwork.

Tuition and fee benefit payments provided by the VA pay for the cost of veteran students' education—similar to all other students' tuition and fee payments. These funds should not be considered as payment for additional veterans' services, such as counseling or health care. Institutions make every effort to provide these services, as appropriate; however, these should not be expected as a result of the receipt of VA educational payments.

Finally, unused veterans' educational benefits should be refunded in accordance with existing higher education practices. National survey data from 2012 indicate that approximately 82 percent of responding campuses had already established refund policies for military activations and deployments. AASCU, therefore, discourages attempts to impose separate institutional refund policies for veteran and active-duty military students.

### **Other Federal Policy Recommendations**

Benchmark Montgomery GI Bill (MGIB) benefits (pre-9/11 G.I. Bill) to the cost of attendance at public four-year institutions for those servicemembers who served prior to September 11, 2001. Service members eligible under the current MGIB who served on or after September 11, 2001 will have an irrevocable decision point to choose between either set of benefits.

Advocate for more advantageous tuition rates for MGIB Selected Reserve (MGIB-SR) (Chapter 1606) benefits; also advocate for portability equity for MGIB-SR benefits earned during mobilization for a period of 10 years after leaving service (equal to MGIB Active Duty portability rates).

Support ROTC programs on campus that allow students to develop both academic and leadership skills in the service of their country.

## ENDORSEMENTS

AASCU's 2013 Public Policy Agenda is endorsed by the following organizations:

- ◆ American Association of Colleges for Teacher Education(AACTE)
- ◆ Asian and Pacific Islander American Scholarship Fund (APIASF)
- ◆ Association of Public and Land-Grant Universities (APLU)
- ◆ Council for Opportunity in Education (COE)
- ◆ Coalition of Urban and Metropolitan Universities (CUMU)
- ◆ Hispanic Association of Colleges and Universities (HACU)
- ◆ State Higher Education Executive Officers (SHEEO)

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