

Aim Higher Act

ACCESS | AFFORDABILITY | COMPLETION

FACT SHEET

As Republicans propose cuts to higher education, House Democrats introduce a comprehensive plan to give every student the opportunity to earn a debt-free degree that leads to a rewarding career

In December 2017, Republicans on the House Committee on Education and the Workforce advanced the *PROSPER Act*, H.R. 4508, a reauthorization of the Higher Education Act that **cuts nearly \$15 billion from federal student aid** and shifts federal dollars toward predatory, low-quality for-profit programs. The GOP's proposed cuts to student aid were advanced on a party-line vote just nine days before President Trump signed into law a nearly \$2 trillion giveaway to corporations and the wealthy few.

House Democrats have introduced H.R. 6543 – the *Aim Higher Act* – a comprehensive vision for higher education which **ensures every student has a path to a debt-free degree or credential that leads to a rewarding career**. The *Aim Higher Act* invests in students. It makes higher education more affordable today and addresses the rising cost of college to reduce the burden on students in the future.

The *Aim Higher Act* also recognizes that both access to college *and* college completion are critical to expanding economic opportunity. Accordingly, it lowers barriers to enrollment and invests in programs and services – like career counseling and campus-based child care – that will help students graduate and put them on a path to success.

Making College More Affordable

Republican Proposal: The GOP *PROSPER Act* cuts \$15 billion from federal student aid, leaving students with more expensive student loans that are more difficult to repay. At the same time, it does nothing to contain the rising cost of tuition.

- The *PROSPER Act* fails to make any meaningful improvements to the Pell Grant program, which is the cornerstone of federal student aid and serves 8 million students.
 - The maximum Pell Grant currently covers only 29 percent of the cost to attend a public university.
- The *PROSPER Act* cuts other sources of grant aid to the neediest students under the guise of simplification, which will force students to incur more debt. The GOP proposal:
 - Eliminates subsidized loans that make borrowing more affordable;
 - Caps parent and graduate student loans, which will push more students and parents to the private loan market;
 - Replaces existing income-based repayment plan programs with a less generous version, which will push more students into default;
 - Eliminates the Public Service Loan Forgiveness (PSLF) program that incentivizes talented individuals, including teachers, service members, and veterans, to pursue a career in public service;
 - Fails to restore the Perkins Loan Program – an important low-interest loan used by financial aid administrators to augment student aid packages – which expired in September 30, 2017.

Democratic Proposal: The *Aim Higher Act* makes college more affordable today and helps states make public college tuition more affordable in the future. It provides every student a path to a debt-free degree or a credential that leads to a rewarding career.

- The *Aim Higher Act* creates a federal-state partnership that incentivizes states to reinvest in higher education and, in exchange for federal funding, requires states to offer all students two years of tuition-free community college.
- The *Aim Higher Act* strengthens and modernizes the Pell Grant program in response to the rising cost of college and the wide range of four-year, two-year, and short-term programs that can launch graduates into successful careers. The Democratic proposal:
 - Increases the maximum award to give students more money to pay for college and permanently indexes the Pell award to inflation to maintain the purchasing power of the grant;
 - Allows quality short-term programs to access Pell to strengthen the workforce and extends Pell eligibility to more students;
 - Insulates Pell Grant funding from Republican cuts by making the majority of Pell Grant funding mandatory;
 - Makes Pell available for 14 semesters instead of 12; and
 - Incentivizes on-time graduation and improves the talent pipeline by allowing students to exhaust full Pell eligibility on graduate studies following completion of a bachelor's degree.
- Democrats are working to end the era of confusion, misinformation, and predatory practices in the student loan industry. The *Aim Higher Act* makes borrowing easier to understand and more affordable for students. The Democratic proposal:
 - Provides students with better up-front and ongoing information about college financing through annual loan counseling;
 - Eliminates loan origination fees;
 - Simplifies the loan repayment process by replacing the numerous existing repayment plans with one *fixed repayment plan* and one *income-based repayment plan* (IBR) that uses the more generous repayment terms than those currently available; and
 - Allows for verbal, secure IBR enrollment and automatic recertification of income for borrowers enrolled in income-based repayment to reduce barriers to relief for student loan borrowers.
- The *Aim Higher Act* protects the Public Service Loan Forgiveness program, which encourages talented professionals to enter public service. It also expands the program to include farmers and those who go to work for Veteran Service Organizations – such as the American Legion and Veterans of Foreign Wars (VFW) – who are currently ineligible for loan forgiveness.
- The *Aim Higher Act* recognizes state authority to protect consumers by maintaining their right to enact, regulate, and enforce consumer protection laws.
- The *Aim Higher Act* restores the Perkins Loan Program as a source of federal student aid for undergraduates and graduates by reserving a portion of Direct Loan volume to be distributed to institutions. This would be done under a new, more equitable formula based how well the school serves low-income students, not how long the school has participated in the program.

Ensuring Access to a Quality Degree

Republican Proposal: The *PROSPER Act* is a love letter to for-profit colleges and corporate interests despite demonstrated evidence of predatory practices at many for-profit institutions. The two most notorious examples – the devastating collapse of Corinthian Colleges and ITT Technical Institute – left thousands of students with crippling debt, non-transferrable credits, and no degree, while leaving taxpayers to foot the bill.

- Rather than strengthening existing safeguards to protect students and taxpayers from predatory for-profit programs, the *PROSPER Act* completely eliminates for-profit accountability. In doing so, it gives for-profit colleges unprecedented access to federal financial aid (Title IV funding) – regardless of quality – and leaves students, veterans, and taxpayers even more vulnerable to institutions that engage in fraud and deception.
 - According to the Century Foundation, of the 98,868 borrowers' defense claims filed by students alleging fraud or deception by a federally approved college or university, 99 percent were filed against for-profit schools.

Democratic Proposal: The *Aim Higher Act* protects students, veterans, and taxpayers from predatory for-profit institutions, and assists colleges and universities in their efforts to improve student outcomes.

- The *Aim Higher Act* empowers accreditors to focus on academic quality and student achievement by streamlining accreditation criteria, making the accreditation process and institutional outcomes more transparent, and strengthening the Department of Education’s oversight of accrediting bodies.
- The *Aim Higher Act* strengthens federal oversight of taxpayer dollars by improving the cohort default rate.
- The *Aim Higher Act* assists non-profit institutions struggling to meet accreditation standards by offering technical and financial support to improve institutional quality and serve students better.
- The *Aim Higher Act* closes the 90-10 loophole, which incentivizes for-profit institutions to aggressively recruit veterans.
- The *Aim Higher Act* ensures that all institutions relying on federal student aid dollars are investing in instruction and quality – not lobbying and marketing.

Improving Campus Climate

Republican Proposal: The *PROSPER Act* is another example of Republicans using the First Amendment as a weapon to attack civil rights and anti-discrimination laws.

- The *PROSPER Act* allows religious schools receiving taxpayer money to ignore civil rights laws, oversight, and other requirements that all other schools receiving Title IV funding must follow.
 - Religious institutions, which account for 12.5 percent of all colleges participating in Title IV of the Higher Education Act, currently access federal funds while complying with relevant civil rights law without issue.
- The *PROSPER Act* undermines efforts to combat campus sexual assault by allowing each school to create its own standard of evidence for disciplinary proceedings related to sexual assault. This would allow schools to use strict standards that favor the accused and have a chilling effect on students’ reporting of sexual assault.

Democratic Proposal: The *Aim Higher Act* protects every students’ right to feel safe on campus and to be treated with dignity and respect.

- The *Aim Higher Act* improves campus safety and transparency surrounding crimes in and around college campuses by amending the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act, specifically adding hazing and harassment as reportable offenses under Clery.
- The *Aim Higher Act* encourages and supports diversity on our campuses by requiring the Secretary to appoint a Special Assistant for Equity and Inclusion. The Special Assistant will promote, coordinate, and evaluate equity and inclusion programs, including dissemination of information, technical assistance, and coordination of research activities.
- The *Aim Higher Act* ensures that institutions of higher education are complying with Title VI of the Civil Rights Act of 1964. The Democratic proposal requires institutions to:
 - Designate at least one employee to coordinate the institution’s efforts to comply with Title VI and notify students and employees of the contact information of such designee;
 - Notify students and employees of the institution’s Title VI policies, including the procedures for reporting and investigating complaints under Title VI;
 - Notify students and employees of Title VI violations; and
 - Collect and publish data on Title VI violations on the institution’s website and report it annually to the Department of Education.

Helping Students Become Graduates

Republican Proposal: The *PROSPER Act* does nothing to help more students enroll in college or improve graduation rates. It also eliminates current services that help struggling and underserved students complete their education, and fails to incentivize institutions to focus on completion.

- The *PROSPER Act* eliminates grant funding to help under-resourced institutions better serve their students, which would harm many minority-serving institutions and community colleges.

- The *PROSPER Act* cuts funding to programs – such as TRIO and GEAR UP – that improve college access for low-income and first-generation students.
- The *PROSPER Act* cuts programs that provide campus-based child care services for student parents and contains no provisions to ensure students with disabilities, veterans, Dreamers, and foster and homeless students have the support they need to graduate.

Democratic Proposal: The *Aim Higher Act* updates the Higher Education Act to help all students – regardless of circumstance or ability – access and successfully complete higher education.

- The *Aim Higher Act* focuses on both helping students get an affordable education at a quality institution *and* ensuring students graduate in a timely manner by offering comprehensive student support services. The Democratic proposal:
 - Increases funding for TRIO programs and campus-based childcare services for student parents;
 - Helps foster and homeless youth successfully transition to and complete college;
 - Provides grants to assist institutions that serve a significant number of veterans and their families to establish, maintain, improve, and operate Veteran Student Centers;
 - Provides funding for dual enrollment and early college programs, where high school students can earn college credit in high school and at no cost;
 - Invests in training to help faculty deliver accessible, inclusive instruction for students with disabilities; and
 - Helps community colleges create comprehensive services to ensure students complete an associate’s degree in a timely fashion.
- The *Aim Higher Act* incentivizes institutions of higher education to focus on helping students graduate with a degree or credential that will lead to a rewarding career.
 - The bill strengthens the Education Department’s ability to hold institutions accountable for their students’ outcomes by requiring accreditors to do more and revising the Cohort Default Rate to encourage institutions to focus on completion and successful entry to the workforce.
- The *Aim Higher Act* allows Dreamers to access federal financial aid so they can reach their full potential in the only country they have ever called home.

Supporting Teachers

Republican Proposal: The *PROSPER Act* abandons America’s teachers during a national teacher shortage crisis.

- The *PROSPER Act* eliminates all current programs in the Higher Education Act that help recruit, train, and support teachers who dedicate their lives to educating students, and eliminates teacher loan forgiveness programs.
 - There is a teacher shortage in all 50 states.
 - According to a report by the National Center for Education Statistics, 94 percent of teachers pay for classroom supplies, spending an average of \$479 a year.

Democratic Proposal: The *Aim Higher Act* invests in teachers and strengthens training for teachers and school leaders to improve the quality of our schools.

- The *Aim Higher Act* expands teacher quality partnership grants to strengthen coordination between local education agencies, state agencies, and institutions of higher education.
- The *Aim Higher Act* increases teacher capacity, supports teacher leadership, and emphasizes diversity in the teacher and school leader workforce through recruitment and retention efforts.
- The *Aim Higher Act* strengthens the TEACH Grant program, which gives prospective teachers an incentive to join a profession, and maintains Perkins Teacher Loan Forgiveness and Direct Stafford Loan Cancellation for teachers.

For more information on the *Aim Higher Act* (H.R. 6543), please visit: <http://democrats-edworkforce.house.gov/aim-higher>