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December 11, 2017

The Honorable Virginia Foxx (R-NC) Chairwoman Committee on Education and the Workforce House of Representatives Washington, DC 20515

The Honorable Robert Scott (D-VA)
Ranking Member
Committee on Education and the Workforce
House of Representatives
Washington, DC 20515

Dear Chairwoman Foxx and Ranking Member Scott:

On behalf of the National Association for College Admission Counseling, I wish to express our opposition to H.R. 4508, the Promoting Real Opportunity, Success, and Prosperity through Education Reform Act, which would reauthorize the Higher Education Act. We are concerned that, if enacted, this bill would make college more expensive for students and not protects US taxpayers from unscrupulous colleges.

Founded in 1937, NACAC is an association of more than 16,000 members, including school counselors and college admission staff, who work with students making the transition from high school to postsecondary education ("college"). NACAC is committed to maintaining professional standards that foster ethical and social responsibility among those involved in the college application and enrollment process, as outlined in the NACAC Statement of Principles of Good Practice, which may be accessed on our website. Through our advocacy efforts, we are also dedicated to ensuring that all students have access to high quality school counseling to help them make informed decisions as they prepare for and pursue college or career.

H.R. 4508 would significantly alter the higher education system in our country and do so that would ultimately harm students and taxpayers. The proposed



reductions and modifications to student assistance programs will reduce supports for those seeking federal assistance to pay for college. In addition, the legislation ignores prior instances of fraud and abuse within federal student aid programs—incidents that have cost taxpayers billions in lost federal aid funding over the last two decades and resulted in substantial harm to students. The legislation also ignores previous congressional guidance resulting from investigations into the exploitative actions of unscrupulous institutions in the 1990s and again in the years between 2000 and 2014.

NACAC is strongly opposed to the provisions of the legislation that would roll back the prohibition of the use of incentive compensation. Since 1951, NACAC has prohibited its members from using incentive compensation because we believe that it prioritizes the employee's financial interests above the student's academic interests. Under incentive compensation, an employee is provided a monetary or other reward for each student s/he enrolls. Over time, we have observed that, particularly in the context of federal aid programs, using financial rewards to incent behavior inevitably results in threats to program integrity. In the 1992, during a reauthorization of the HEA, Congress recognized this tendency and included a provision that would prohibit the use of incentive compensation for admission and financial aid officers at any institution of higher education that receives Title IV dollars. Unfortunately, the ban on incentive compensation was weakened by the incorporation of "safe harbors" in 2002, to the detriment of students, particularly low-income, first generation and/or minority students.

We are also concerned about the partisan process the Committee has utilized in drafting H.R. 5408. For the American people to support and have confidence in our nation's higher educational system, reauthorizing the HEA should be done in a bi-partisan manner.

For these reasons, and many others, we urge the Committee to oppose this bill. Please contact <u>Michael Rose</u>, Director of Government Relations with any questions regarding NACAC's public policy positions or advocacy.

Sincerely.

Joyce Smith

**CEO** 

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