NAICU 2024 Summer "Home" Priorities

NAICU has identified four major priority areas for its summer "Home" advocacy engagement. Depending on the time you have with your elected officials, please tailor your message to the needs of your students and campus community. The four issue areas are:

FAFSA Delay: The Department of Education's six months-long delay in implementing the new FAFSA is having a profound impact on students and institutions and threatening to affect both long-term educational opportunities for students and the financial health of institutions, particularly those that serve a large portion of low-income students.

- Share your institutional story about the impact of the FAFSA delay on your institution, including enrollment – current and future trends, deposits, and financial implications for the institution.

- Encourage your Members of Congress to push the Department to ensure it has next year's FAFSA ready by October 1.

- NAICU's April 30 Action Alert includes advocacy tips and FAFSA talking points to help with this conversation.

Regulatory Burden: Institutions must implement an avalanche of massive new regulations between July 1 and August 1, 2024, including new Title IX regulations, rules to increase overtime pay, and extensive new requirements for financial value transparency (FVT). The FVT regulations not only set up complicated new reporting requirements (extended until October 1) but also impact everything from career services to transcript withholding to how we collect information on boards of trustees and donors. Many of the institutional responsibilities under these regulations are still not defined by the Department.

- Ask Congress to delay the two sets of financial value transparency and related regulatory packages for one year to give financial aid and compliance officers time to prepare for and properly comply with the regulations after the FAFSA debacle. See NAICU's Financial Value Transparency webpage for more information and resources.

- Discuss with them the financial impact of the Overtime Rule on your institution.

Student Aid Funding: The House Appropriations Subcommittee approved an education spending bill on June 27 that keeps the Pell Grant maximum award at the current level of $7,395, but cuts funding in half for the Supplemental Educational Opportunity Grant (SEOG) and Federal Work-Study (FWS) programs, taking $1 billion out of student aid.

- It is critical that the federal government keeps its core focus on supporting Pell Grants as the cornerstone of federal student aid, but also does not cut funding for SEOG and FWS, which successfully promote access and choice for low-income students.
- Ask Congress to continue to support the Pell Grant program and oppose the cuts to SEOG and FWS.
- NAICU's student aid data sheets are available for state and congressional district reference.

Institutional Risk Sharing and the College Cost Reduction Act: The House Committee on Education & The Workforce has approved H.R. 6951, the College Cost Reduction Act (CCRA), which would dramatically change the relationship between colleges that serve students who receive federal student aid and the federal government and will devastate the independent college sector if enacted. While there are many thoughtful features in this bill, including some aspects of how it restructures federal student loan repayments, it also includes institutional risk-sharing for federal student loans, eliminates the parent and graduate loan programs, and caps federal student aid to the national median cost of attendance by major. The risk-sharing formula is structured in a way that disproportionately penalizes the independent sector and redistributes a portion of the payments from our sector predominately to public colleges.

- Ask your Representative to oppose the CCRA's student loan risk sharing proposals (and other forms of student loan risk sharing) that make institutions liable for federal student loan costs, such as loan forgiveness and interest rate charges, established by the federal government.

- Congress sets the terms and conditions for federal student loans. It is unfair that it would then tax the institutions for the cost of loan decisions made by Congress and the Administration with none of this benefit accruing to student loan borrowers.

- The CCRA risk-sharing payment is based on the earnings of graduates several years after college completion, which fails to recognize the lifelong earnings that college graduates will achieve. Please share with your Representative the estimated impact on your institution of risk-sharing payments.

  Note: The House Committee on Education & the Workforce made public its analysis of the risk-sharing provisions, which includes a database where you can search your institution to see the impact of the proposal. Please note that the committee analysis only reflects the potential cost five years into implementation, but student loan repayments last 10-15 years, so the payment amounts in this analysis would double by year 10 as more cohorts of graduates enter repayment.

Risk sharing is also proposed for institutions that are paying the private college endowment tax in another committee-approved bill, the Bipartisan Workforce Pell Act. See NAICU's June 6 Action Alert for additional details and talking points.

Please ask your Members of Congress to consider joining the Congressional Independent Colleges Caucus (CICC), co-chaired by Reps. David Joyce (R-OH) and Derek Kilmer (D-WA). This bipartisan caucus celebrates and highlights the contributions of private, nonprofit colleges and universities to our nation's economic, educational, and social well-being. [*If your Representative is already a member of the CICC, please thank them for their support*]