

THE
NEW ENGLAND
COUNCIL

August 28, 2014

The Honorable Tom Harkin
731 Hart Senate Office Building
Washington, DC 20510

The Honorable Lamar Alexander
455 Dirksen Office Building
Washington, DC 20510

Cc: Senate Committee on Health, Education, Labor and Pensions

Dear Senator Harkin and Senator Alexander,

The New England Council is a non-partisan alliance of businesses, academic and health institutions, and public and private organizations throughout New England formed to promote economic growth and a high quality of life in the New England region. As such, the Council supports efforts to strengthen the region's education sector and develop an effective pipeline for talent development. The region's economy relies on a comprehensive education system and the preparations of an advanced workforce.

The New England Council's Higher Education Committee includes of over 70 institutions of higher education and education organizations. On behalf of the organizations that work to educate students, and on behalf of those that rely on the region's education sector, The New England Council offers the attached principles for your consideration as you work to reauthorization the Higher Education Act.

The principles highlight the need to empower students, families and institutions. The principles support access to education, innovative approaches to learning and a streamlined system that provides both transparency and accountability. We thank you for consideration of our interests as you work to reauthorize the Higher Education Act. Please don't hesitate to be in touch if our organization can be of further assistance on this issue.

Sincerely,



Emily J. Heisig
Senior Vice President, Communications and Federal Affairs

The New England Council

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The New England Council Higher Education Committee Principles for Reauthorization of the Higher Education Act (HEA)

August 2014

The New England Council represents a variety of institutions of higher education throughout the region, as well as businesses that rely on access to an educated workforce. As such, we are particularly interested in the success of efforts to strengthen our talent pipeline. The New England Council offers the following recommendations for lawmakers' consideration as they consider reauthorization of the Higher Education Act.

- **Federal Partnership** - The New England Council believes the federal government must maintain the strong partnership with institutions of higher education. This partnership ensures that our students are provided the highest quality of education in order that they can become productive members of society who can contribute to our economic growth.
- **Increasing Financial Aid** – Federal student financial aid is the cornerstone of federal investment in higher education. It creates opportunities for young people to obtain quality education, contribute to American innovation, and advance our economy and society, while also ensuring that employers continue to have access to a skilled workforce. Funding for education must be made available to produce graduates at a rate that will drive our nation's growth, and The New England Council supports mechanisms for steady and reliable student aid. Federal financial aid programs, such as the Supplemental Educational Opportunity Grant (SEOG) and Perkins Loan Program, must be increased, not phased out, in order to promote greater access to higher education. Subsidized Stafford Loans should continue to be made available to all students who display need and aid should be sector-blind.
- **Pell Grants** - Funding Pell Grants at the maximum authorized level should be a top priority during reauthorization. We support the revitalized year-round Pell Grants and encourage flexibility to allow students access to these grants no matter the time of year.
- **Simplifying Student Loans & Aid** - College students and their families rely heavily on federally-backed student loans. Ensuring that students have access to funding to continue their education is vital to ensuring the necessary workforce for economic growth. The Council supports the simplification of loan-repayment, income-based repayment programs, as well as the simplification of the Free Application for Federal Student Aid (FAFSA).
- **Simplifying Reporting and Improving Data** - The data collection system used by the federal government for higher education can be inaccurate and burdensome. The reporting requirements placed on schools such as the Integrated Postsecondary Education Data System (IPEDS), Fiscal Operations Report and Application to Participate (FISAP), 990 and other regulations are complex, burdensome, and oftentimes duplicative. The Integrated Postsecondary Education Data System (IPEDS) are often extremely inaccurate for collecting and reporting data. Net Price Calculator, College Navigator, College Scorecard, and the College Affordability and Transparency List also use inaccurate data and are often misleading in how they compare institutions. Simplifying the reporting process and streamlining requirements would lead to more accurate and less burdensome data collection. Efforts to increase transparency should be more focused and use only reliable data.

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- **Financial Literacy** - Efforts should also be made to improve students' financial literacy so that they can better understand their options and the implications of their borrowing.
- **Alternative Learning Models** – As higher education practices develop to address today's ever-changing global economy and employer needs, innovative new models for preparing students for the workforce are increasingly necessary. Reauthorization of the HEA should take this into consideration, allowing students to participate in alternative learning models and internships without penalizing those students. Competency-based education and direct assessment programs should be encouraged and supported.
- **Work Study** – Work Study should also be supported and expanded to foster alternative models of extracurricular employment such as co-ops, community service projects or apprenticeships.
- **Rating System** – The New England Council opposes linking student aid eligibility to a college-rating system. The data currently collected is not reliable enough to compare institutions across sectors. The unit record system does not track student success accurately and IPEDS data cannot be used to fairly characterize schools. Comparing institutions by standard metrics is misleading and adds confusion for potential students. Moreover, using a snapshot look at a student's salary, whether it is one year or five years after graduation, is misleading and devalues other aspects of a college education.
- **Accreditation** – The accreditation process should be used effectively to allow accreditors and institutions to continue to improve education standards. The relationship in New England between institutions and accreditors has been crucial to the region's higher education sector and is used to establish benchmarks for achievement and best practices. This process should remain confidential as institutions work with accreditors to critically highlight the weaknesses of the sector and improve on those concerns. Making institutions' documentation public would undermine this process and weaken the accreditation system.
- **Tax Policy** - Tax policy which incentivizes philanthropy, such as the IRA Tax Credit, and charitable giving and which supports students and families, such as the American Opportunity Tax Credit (AOTC), should be expanded and made permanent.

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