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Chairman Tom Harkin Senate Health, Education, Labor and Pensions Committee Washington, DC 20510

Via email: HEAA2014@help.senate.gov

Dear Chairman Harkin:

On behalf of Boston University, thank you for providing the opportunity to offer feedback on your proposed renewal of the Higher Education Affordability Act. We at BU appreciate your leadership in increasing college affordability, addressing student loan debt, promoting accountability, and helping students and parents make informed choices. Boston University is a private, urban research university serving more than 33,000 students who share a common goal: embracing the unlimited possibilities that come with the vigorous pursuit of knowledge. Below you will find Boston University's views on those issues that you have identified as priorities. As a member of the Association of American Universities, we also support the comments the AAU has submitted.

## Increasing affordability and reducing college costs

<u>Pell Grants</u>: We applaud your unwavering commitment to strengthening Pell Grants, which are a cornerstone of college access. Nearly half of BU undergraduates utilize federal financial aid, and approximately 17% of BU students are Pell-eligible. Federal aid is a vital complement to the more than \$190 million in BU-provided aid we give to our students each year.

<u>Federal Work Study</u>: As you continue to focus on improving college completion, we encourage you to pay special attention to the Federal Work-Study (FWS) program. We find that students with campus jobs have deeper connections with the campus community, are more likely to persist in their studies and, on average, earn a higher grade point average than their non-working peers. FWS is an under-appreciated yet major contributor to college completion and success.

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Graduate Education (Section 1110): BU welcomes the proposed study on the impact of federal financial aid changes on graduate students. Graduate and professional education is critical to the success and prosperity of the nation, and we are concerned about the erosion of federal support. BU educates more than 14,000 graduate and professional students annually who go on to careers as innovators, scientists, doctors, lawyers, artists, and business leaders. BU hopes the Committee will reinstate graduate and professional students' eligibility for subsidized student loans. We also urge you to maintain both the Javits and the Graduate Assistance in the Areas of National Need (GAANN) programs at the U.S. Department of Education as distinct entities with separate goals.

Origination fees (Section 451): BU agrees with the provision eliminating origination fees on Direct Loans. We appreciate your effort to reduce cost to students by eliminating this small, but costly, administrative fee for borrowers.

<u>Prior, prior year (Section 475)</u>: BU supports the proposed legislation's use of "prior, prior year" tax data in federal need analysis, as this will allow families to complete financial aid paperwork earlier and understand their expected contribution toward the cost of college attendance sooner.

<u>Perkins Loans</u>: BU hopes policymakers will continue the federal Perkins Loan Program as a campus-based financial aid program. However, in the event that the Perkins program ends, institutional capital should be retained by the school, as appropriate, and a portion of the administrative cost allowance should be maintained as schools service remaining loans in the portfolio.

### Addressing student loan debt

<u>Protecting student borrowers (Section 1107)</u>: BU supports your efforts to toughen the student loan cohort default rate metric for universities to maintain Title IV student aid eligibility, and welcomes the proposed creation of an Institutional Risk Sharing Committee which would examine how to hold institutions accountable for the success of their students. A BU education prepares our graduates to find jobs that allow them to repay their debt, resulting in a cohort default rate of 2.5%, well below the national average of 14.7%.

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# Holding schools accountable to students and taxpayers

Accreditation (Section 497): We join with the larger higher education community in opposing the proposal to make accreditation self-study or site visit review reports public. While we understand the goal of transparency, this provision would have a chilling effect on institutions' honest review for the purposes of improvement. We are concerned it could change the nature of accreditation into one where schools try to present themselves in the best possible light for a public audience, rather than identify areas in which to strive for excellence.

State Authorization: While the bill draft does not address the issue of state authorization of distance education, we hope Congress will carefully consider this topic. We are pleased to offer online certificate and degree programs to students outside of Massachusetts, but obtaining different approvals in every state requires the expenditure of significant financial and personnel resources, yet the potential benefit for students has not been carefully evaluated. The nascent State Authorization Reciprocity Agreement has the potential to bolster consumer protections and rationalize the approval process for universities offering distance education, but many states have already indicated they will not join. We would appreciate your continued support for removing barriers to innovation in education delivery.

#### Helping students and families make informed choices

<u>Consumer testing (Section 484)</u>: We appreciate the proposed legislation's call for a consumer testing process for items such as the College Scorecard and net price calculator. It is essential that data presented to students and families is meaningful and easy to understand.

### Other issues

International Education: Boston University urges you to continue support for the Title VI international education programs, which are still rebounding from a significant funding cut in 2011. BU's African Studies Center effectively uses a modest amount of Title VI National Resource Center funding to support work with elementary schools, undergraduates, and doctoral scholars. Recent Center graduates have successfully pursued national security careers with U.S. government agencies as well as international endeavors with nongovernmental organizations. Research opportunities made possible through the Fulbright-Hays program have also been a critical support for BU students and scholars alike.

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Thank you for your consideration of our suggestions. Boston University looks forward to working with you as the reauthorization of the Higher Education Act develops.

Sincerely,

Robert A. Brown

President

cc: Ranking Member Lamar Alexander

Senator Elizabeth Warren

Senator Ed Markey