Updates in Higher Education

The President’s budget proposal has finally landed on Congress’ proverbial desk, and it proposes serious cuts to education, research, and student loan funding. Meanwhile, the anticipated reauthorization of the Higher Education Act has spurred a wave of hearings and education legislation which might give indications over what will be included in the ultimate bill. Plus, NIH is revamping its policies toward sexual harassment, DHS is expected to release a proposed rule-change affecting spouses of H-1B recipients, and a federal judge has ruled against the Department of Education’s handling of Public Service Loan Forgiveness. This - and more - inside our longest Letter yet (which can’t be helped when the issue is due during LAD!)

To view previous editions and to subscribe to our newsletter, check out our Legislative Letters blog! If you have questions, suggestions, or are interested in contributing to the newsletter, or would like to be a part of the Legislative Concerns Committee, please contact the Director of Legislative Affairs, Kaylynne Glover, at legislative@nagps.org.
THE EXECUTIVE BRANCH

DEPARTMENT OF EDUCATION

For-Profit Institutions

The California-based for-profit post-secondary institution Argosy University has been ordered to stop enrolling students and has lost access to Pell grants and federal student loans after millions of dollars in federal aid have gone missing. This comes after several years of a financial crisis for the institution. Rep. Bobby Scott (D-VA), chair of the House Education and Labor Committee, said that the “Department of Education [DE] has derelict in its responsibility to protect students from the impact of this collapse” and that the DE should have notified students.

Student Loans

The Consumer Bankers Association is pushing the Department of Education to be more transparent on federal student loans and has encouraged them to partner with the Consumer Financial Protection Bureau to do so.

Staff Changes

Mark Brown has been named the Chief Operating Officer for the Office of Federal Student Aid. A retired two-star general in the Air Force, who has several masters’ degrees and has experience overseeing billion dollar portfolios.

THE WHITE HOUSE AND OTHER AGENCIES

Budget Proposal

The President’s budget proposal was released last Monday after being delayed this year due to the government shutdown (though it is still only the “skinny” version, with a complete version coming out today). The proposal acts as a starting point for Congress, which actually has the authority to approve all spending, and Senator Bernie Sanders (I-VT) has called this year’s proposal “dead on arrival.” This sentiment seems fairly common on the Hill, with some saying it “doesn’t matter at all,” and primarily benefits the military industrial complex, CEOs, Wall Street, and billionaires. However, as we witnessed this year, if the President does not approve of the budget, he can veto it, and the government can shut down. Check out highlights from the budget below.

Total proposal: $4.7 trillion
- Spending Increased: Defense spending, $750 billion (5% increase)
  - Border wall funding: $8.6 billion (50% increase from FY19 request)
  - Department of Homeland Security (7% increase)
  - Department of Veterans Affairs (8% increase)
Spending Decreased: Non-defense discretionary spending, 5%
  ○ Department of Education: $62 billion (12% decrease)
    ■ Eliminates 29 education programs including Graduate Assistant in Areas of National Need (GAANN), International Education and Foreign Language programs, and programs that train teachers. Consolidates Minority-Serving Institutions programs into one program and consolidates TRIO and GEAR UP (cutting funding by 33%).
    ■ Provides tax credits to support private or public school choice
    ■ Increases funding for Career Technical Education
    ■ Cuts Pell Grant funding ($2 billion), relying on a surplus of funds that currently exist, but expands Pell Grant eligibility to short-term programs
    ■ Cuts $207 billion over ten years from student loan programs (not part of annual discretionary spending)
      ● Restructures repayment plans: caps borrower’s monthly payment at 12.5% of discretionary income.
      ● Undergraduate loan forgiveness after 15 years of repayment. Graduate after 30 years of repayment.
      ● Eliminates the Public Service Loan Forgiveness program and subsidized loans (estimated to save $77 billion over ten years)
      ● Cuts Federal Work Study (56%)
  ○ National Science Foundation: $7.1 billion (12% decrease)
  ○ National Institutes of Health: $33 billion (13% decrease)
  ○ Department of Energy: $31.7 billion (11% decrease)
    ■ Eliminates Advanced Research Projects Agency-Energy (ARPA-E)
  ○ Environmental Protection Agency: $6.1 billion (31% decrease)
  ○ Department of Agriculture: $20.8 billion (15% decrease)
  ○ State Department: $40 billion (23% decrease)


The White House claims that it would lower the debt and deficit but relies on exceptionally optimistic economic assumptions outside the mainstream forecasts. Other estimates expect it to increase the U.S. debt to approximately 87% of the Gross Domestic Product (GDP) and reduces the deficit only by half of the original estimate.

Several organizations have issued position statements on the proposed budget, including the Council of Graduate Schools (CGS) and the Committee for a Responsible Federal Budget. Some have pointed out that expanding loan forgiveness to all students, while admirable in some respects, may backfire, as the program is designed to entice students into low-paying public service careers. It may be difficult to recruit students into these careers if this incentive is removed.

For more on the cuts: Trump releases budget calling for 5 percent cuts in domestic spending and Five takeaways from Trump’s budget
Executive Orders

President Trump stated that he will sign an executive order requiring institutions of higher education (IHEs) to support free speech. This move is inspired by a conservative activist and recruiter being punched in the face at the University of California -Berkeley by another man. Neither is affiliated with UC Berkeley.

Agency Changes

The National Institutes of Health (NIH) has released a statement containing several recommendations being considered to improve its response to sexual misconduct allegations. This comes on the heels of legislation proposed in January on combating sexual harassment in science.

IMMIGRATION AND INTERNATIONAL STUDENT CONCERNS

Visas

The Department of Homeland Security (DHS) is planning on proposing a rule that would stop issuing work visas for dependent spouses of H-1B visa holders (H-4 visa holders), preventing them from working in the US and potentially disincentivizing international students from coming to the US or remaining in the US after receiving degrees.

An analysis of data from the State Department shows that immigrant and temporary visa denials significantly increased during FY18 (39% and 5%, respectfully) with an ultimate decrease in visa issues (5% and 7%, respectfully).

THE LEGISLATIVE BRANCH

LEGISLATION

Appropriations

Now that President Trump has released his proposed budget, Congress will begin the appropriations process. Before that can happen, Congress has to reach an agreement on the debt ceiling as well as the budget caps, or there will be an automatic 10% cut across the board.

Election Reform Bill

The House of Representatives has passed For the People Act of 2019 (H.R. 1) a bill that would make sweeping changes to the elections process, including campaign finance reform, automatic voter registration, expanded access to voting, establishing independent redistricting commissions.
responsible for redrawing Congressional districts, disclosing ten years of tax returns, and instituting a code of ethics for the Supreme Court. The bill is now in the Senate.

**Higher Education Act**

*Senator Patty Murray (D-WA)*, ranking member of the Senate HELP Committee *has outlined her priorities for the HEA reauthorization*, which consists of increasing affordability, state funding to higher education, accountability, access, and safety. Sen. Murray and Senator Lamar Alexander (R-TN), chair of HELP, *have continued negotiations*, and while there are areas where they generally agree, they differ in implementation.

**Higher Education Legislation to Watch:**

*College Transparency Act (unassigned)*: Would require the federal government to release postsecondary data, including enrollment, completion, and post-college success. *Statement by Senator Bill Cassidy (R-LA)* (Bipartisan, companion bills in the House and Senate)

*Classroom to Careers Act (unassigned)*: Would expand the type of work allowed for students in Federal Work-Study programs to include part-time and full-time arrangements in diverse work environments.

*Debt-Free College Act (unassigned)*: Would match federal and state funding (one-to-one) to cover tuition, room, board, books, and supplies costs for students. Similar bills were proposed in the *House (H.R. 1571)* and *Senate (S. 672)*

*Housing for Homeless Students Act (unassigned)*: Allows full-time students to be eligible for the Low-Income Housing Tax Credit

*Higher Education Access and Success for Homeless and Foster Youth Act (unassigned)*: Requests IHEs work with government to improve resources for vulnerable students

*Opportunities for Success Act of 2019 (H.R. 792)*: Reauthorizes the Federal work-study program and includes authorization for graduate student access.

*Higher Education Dream Act of 2019 (H.R. 1298)*: Expands federal financial aid opportunities to Dreamers and prevents institutions of higher education eligible to receive federal funds from discriminatory policies against students because of immigration status.

The Employer Participation in Repayment Act (*S. 460* and *H.R. 1043*): Companion legislation that allows employers to provide tax-free student loan repayment assistance (up to $5,250 per year).

*Graduate Student Savings Act of 2019 (H.R. 1195)*: Reintroduction of legislation that allows students to save fellowship funds for retirement

*Reach Act (H.R. 662)*: Requires IHE to report hazing incidents in crime reports covered under Clery Act.

*Protecting JOBS Act (S. 609)*: Prevents states that receive federal funding from the federal government from denying occupational licensure due to defaulting on student loans

*Student Right to Know Before You Go Act (unassigned)*: Increases student and parent access to higher education programs including graduation rates, debt levels, earning potential, and more.
Immigration and International Students

House Democrats introduced the Dream and Promise Act of 2019 (H.R. 6) which would grant permanent legal status to Dreamers, including recipients of Deferred Action for Childhood Arrivals (DACA), and provide a pathway for citizenship.

Other Legislation

Senator Elizabeth Warren (D-MA) is proposing a proposal for “Universal Child Care and Early Learning” that would provide affordable, high-quality child care for all families. Sen. Patty Murray (D-WA) is backing a different bill, the “Child Care for Working Families Act”, that would form partnerships with state governments to improve access and affordability of child care.

HEARINGS

Hearings are picking up in the House. The House Education and Labor Committee have begun holding hearings regarding the upcoming Higher Education Act reauthorization, with focus on student loans. House appropriators have also held hearing regarding student loan servicing. The House Financial Services Committee held a hearing on whether the Consumer Financial Protection Bureau (CFPB) is putting customers first, which follows the resignation of the CFPB’s student loan ombudsman out of protest, claiming that the policies are harming students and families. Other committees are focusing on climate change, with twelve having been held so far, including ones in the House Science Committee. The Budget Committees have begun holding hearings on the President’s budget in preparation for releasing their budget resolution and allowing appropriators to begin drafting funding bills.

THE JUDICIAL BRANCH

LITIGATION

Admissions Scam

In the wake of the Hollywood Admissions scandal, two Stanford University students have filed a class-action lawsuit against eight universities connected to the scandal, accusing them of engaging in unfair business practices.

Public Service Loan Forgiveness

A federal district judge ruled that the DE inappropriately denied forgiveness for three students who had applied under the program, which could have significant implications for how the department continues to process applications.
Borrower Defense to Repayment

A federal judge ruled that California's legal challenge to Education Secretary DeVos's handling of student loan fraud claims can proceed.

Sanctuary Cities

A U.S. District Judge ruled that the Trump administration cannot withdraw federal funding from sanctuary jurisdictions, joining many other lawsuits with the same ruling. The rules reiterate that only Congress has power to restrict funding.

IN RELATED NEWS...

CAMPUS CLIMATE

The Higher Education Research Institute at UCLA has released the results of their survey on faculty perspectives on campus climate. It found that female faculty, and faculty that are black, Asian, Latino, and Native American feel as though they are treated unfairly and that they have to work harder than their colleagues to be perceived as a legitimate scholar. Diversity in leadership positions within institutions of higher education are also lacking, as found in an article published in the Journal of Higher Education Management.

Students at UNC-Chapel Hill are calling for increased diversity as part of statements being released over the use of race in admissions at the university. Their statements describe racist incidents and a lack of response from the university to address issues.

OPPORTUNITIES AND WEBINARS

Webinar on Diversity in Graduate Education

When: March 20 at 2:00pm ET  
Host: Inside Higher Ed  
Summary: The findings and recommendations in their recently released report, “Diversifying Graduate Schools and the Faculty.”  
Register

Graduate/Professional School Town Hall

When: March 19 at 2pm ET  
Host: National Association of Student Financial Aid Administrators (NASFAA)  
Summary: To discuss current issues of concern for graduate students and aid administrators  
Register
RELEVANT READS

We’ve got a lot of interesting articles this time, so we’ve grouped them thematically for your convenience:

**Higher Education: General**

- How to Make Your Teaching More Engaging
- Does Higher Ed Need to Rediscover Generosity?
- Pursuing a Doctorate While Working Full-Time in Higher Education
- Is This Higher Education’s Golden Age, Gilded Age, Or Beginning Of A Gentle Decline?
- Why is building a culture of failure a good thing?
- Grad Students Beyond Grad School
- AAU Receives Grants to Promote More Student-Centered Doctoral Education
- Thoughts on ‘Doctorate Straight After Masters Degree?’
- The promises and limits of online higher education: Understanding how distance education affects access, cost, and quality
- The Mood Brightens: A Survey of Presidents
- Innovation means no one ever ‘graduates’: Learning happens year-round. Industry and schools must adjust
- Addressing the employment challenge: The use of postsecondary noncredit training in skills development

**Higher Education: Climate**

- AAS Aims to Improve Diversity, Inclusion in Graduate Education
- Diversity lags at Harvard’s graduate schools
- Diversifying Graduate Schools and the Faculty
- The Case for Disciplining Faculty Harassers
- Survey of Campus Lactation Spaces
- How to Change an Unhealthy Department Culture
- ‘We don’t see the light of day’: Nursing students, professionals reflect on pressures, anxieties and fulfillment with job
- Sexism and Sexual Violence in Campus Tech Groups
- Grad students say faculty mentorship still difficult to navigate despite new guidelines
- ‘A toxic culture of overwork’: Inside the graduate student mental health crisis
- The Ph.D. Identity Crisis
- University says Missouri professor stole — and sold — a grad student’s work

**Higher Education: Policy and Funding**

- What’s next for higher education reauthorization?
- Most Americans don’t realize state funding for higher ed fell by billions
- Research Brief Explores the Impact of Predominantly Black Institutions
- Efforts evolve on how to address educational debt
- Reducing Child Poverty & Increasing Higher Education Equity
Murray Wants Higher Ed Act Reauthorization to Tackle Affordability
Overwhelming Majority of Americans Support More Federal Funding for Science and Technology
Panel Warns US Faces STEM Workforce Supply Challenges
Members of Congress are rich with student debt
Promoting Tuition-Free Programs to Undocumented Students
At What Cost: Assessing the High Cost of Removing H-4 Visa Holders from the American Workforce
HBCUs Remain 'Resilient', Seek to Partner with Congress
National Survey: Americans Say Education Should Be Higher 2019 Priority for Congress Than Terrorism, Immigration, or Jobs
A Call for Policy Changes to Improve Access
Tuition-free college will insufficiently improve higher education outcomes
Here’s What Trump’s 2020 Budget Proposal Means for Higher Ed

Higher Education: Admissions Scandal
The Admissions Scandal and a Service for Ph.Ds
Massive Admissions Scandal
DOJ Reveals College Admissions Scandal, Rocks Higher Ed
Why higher education is vulnerable to corruption
Higher Education and the Illusion of Meritocracy

REPORTS AND PRESENTATIONS

The Effect of Government Debt on Interest Rates: Working Paper 2019-01, CBO: On average over the long term, each increase of 1 percentage point in federal debt as a percentage of GDP boosts interest rates by 2 to 3 basis points, CBO estimates.

Higher Education R&D Spending: Spending and Funding Sources Differ by State, NSF: Universities and colleges play an important role in conducting research and development in the United States. Academic institutions spent $72 billion on R&D in 2016, an increase of 21% over the past decade, after adjusting for inflation. Data in this InfoBrief are from the Higher Education R&D Survey, from the National Center for Science and Engineering Statistics within the National Science Foundation.

Consumer financial services: The road ahead: Student loans, JDSUPRA: In 2018, the CFPB shifted away from student lending supervision and enforcement. We anticipate this trend to continue in the year to come, with states seeking to fill any voids left by the Bureau.

Final Sequestration Report for Fiscal Year 2010, CBO: As required, CBO reports on whether appropriations enacted for the current fiscal year have exceeded the statutory caps on discretionary funding. In CBO’s estimation, they have not, and a sequestration will not be required for 2019.

Federal Debt and the Statutory Limit, February 2019, CBO: CBO projects that if the debt limit is not raised or suspended again after it is automatically reset on March 2, the Treasury will probably run out of cash near the end of fiscal year 2019 or early in fiscal year 2020.
Q&A: Everything You Should Know About the Debt Ceiling, CRFB: One issue that must be addressed soon is the federal debt ceiling, which will be reinstated on March 2, 2019 at around $22 trillion. At that point, the Treasury Department will begin using accounting tools at their disposal, called “extraordinary measures,” to avoid defaulting on the government’s obligations. However, the Congressional Budget Office (CBO) estimates that these measures will be exhausted near the end of this fiscal year or early next fiscal year (e.g., likely September or October). At that point, absent a new agreement to either raise or suspend the debt ceiling, the Treasury will be unable to continue paying the nation’s bills.

The Economic Outlook for 2019 to 2029 in 21 Slides, CBO: This presentation of the economic outlook highlights the key findings from CBO’s recent report, The Budget and Economic Outlook: 2019 to 2029.

Testimony on Discretionary Appropriations Under the Budget Control Act: Theresa Gullo, CBO’s Assistant Director for Budget Analysis, testifies before the Committee on the Budget, United States Senate, about discretionary funding following enactment of the Budget Control Act of 2011.

On The Budget and Economic Outlook: 2019 to 2029, CBO: Presentation by Keith Hall, CBO Director, at the 35th Annual NABE Economic Policy Conference.

Department of Homeland Security: Review of the Fiscal Year 2017 Entry/Exit Overstay Report, GAO: This GAO report reviews the Department of Homeland Security’s (DHS) estimate of the number of individuals who arrived in the U.S. and overstayed their visa. The report found DHS has developed a system to identify the number and rate of air and sea overstays, but still provides limited departure and overstay information for land ports of entry.

Legislation Enacted in the 115th Congress That Affects Mandatory Spending or Revenues, CBO: The effects on direct spending and revenues of laws enacted in 2017 are estimated to add $1.5 trillion to federal deficits over the 2017–2027 period; laws enacted in 2018 are projected to have little net effect over the 2018–2028 period.

Status and Trends in the Education of Racial and Ethnic Groups 2018, DE NCES: Status and Trends in the Education of Racial and Ethnic Groups examines the educational progress and challenges students face in the United States by race/ethnicity. Through indicators and spotlights—which examine selected topics in greater detail—this report shows that over time, increasing numbers of students in the racial/ethnic groups of White, Black, Hispanic, Asian, Native Hawaiian or Other Pacific Islander, American Indian/Alaska Native, and Two or more races have completed high school and continued their education in college. Despite these gains, the rate of progress has varied among these racial/ethnic groups and differences by race/ethnicity persist in terms of increases in attainment and progress on key indicators of educational performance.

Monthly Budget Review for February 2019, CBO: The federal budget deficit was $537 billion for the first five months of fiscal year 2019, CBO estimates, $146 billion more than the deficit recorded during the same period last year.
Women, Minorities, and Persons with Disabilities in Science and Engineering: 2019, NSF: Women, Minorities, and Persons with Disabilities in Science and Engineering provides statistical information about the participation of these three groups in science and engineering education and employment. Its primary purpose is to serve as a statistical abstract with no endorsement of or recommendations about policies or programs. National Science Foundation reporting on this topic is mandated by the Science and Engineering Equal Opportunities Act (Public Law 96-516).

University Research Space Increased by 5.5 Million Square Feet between FY 2015 and FY 2017, NSF: Science and engineering (S&E) research space reached 220 million net assignable square feet (NASF) at research-performing universities and colleges in FY 2017 (table 1). This amount was 5.5 million NASF (2.6%) more than the FY 2015 total, according to the biennial Survey of Science and Engineering Research Facilities, conducted by the National Center for Science and Engineering Statistics within the National Science Foundation (figure 1) (see "Data Notes" for definitions of research space and NASF).

Expired and Expiring Authorizations of Appropriations: Fiscal Year 2019, CBO: CBO reports annually to the Congress on programs funded for the current fiscal year whose authorizations of appropriations have expired and on programs whose authorizations will expire during the current fiscal year.

FEEDBACK FOR LEGISLATIVE LETTERS

Our Letter is still new, and we would really appreciate your thoughts on it - after all, it's for you! So please follow this link to fill out a quick survey so that we can best meet your needs.