

Federal Student Aid Policy Update 2018

Zack Goodwin, U.S. Department of Education
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Regulatory Update

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Gainful Employment: Program Integrity

On October 31, 2014, the Department published final GE regulations that went into effect on July 1, 2015 and:

- Established a debt-to-earnings rate measure to determine whether a GE program prepares students for gainful employment in a recognized occupation
- Required institutions to report information about students who enrolled in each of the institutions' GE programs
- Required institutions to establish the eligibility of a GE program by certifying that the program:
 - Was included in the institution's certification
 - Satisfied applicable state licensing/certification requirements for the occupations the program prepares students to enter

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Gainful Employment

- Committee formed to negotiate GE
- Held three rounds of negotiations:
 - Session 1: December 4-7, 2017
 - Session 2: February 5-8, 2018
 - Session 3: March 12-15, 2018
- Negotiations concluded without consensus being reached
- [Federal Register Volume 83, Number 157, Tuesday, August 14, 2018](#); NPRM, Comments due September 13, 2018

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State Authorization

- Current Effective Date, July 1, 2018
- NPRM Published May 25, 2018
 - Proposing to Delay Effective Date
 - Would Delay Effective Date until July 1, 2020
 - 15 Day Comment Period ended June 11, 2018
- On December 19, 2016, the Department published regulations relating to the State authorization of distance education providers

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Upcoming Regulatory Actions

- Will hold Public Hearings on:
- Accreditation
 - State Authorization
 - Ensuring Student Access to High Quality and Innovative Postsecondary Educational Programs
 - Updating Regulations Relating to the Graduate Assistance in Areas of National Need (GAANN) Program
 - Eligibility Of Faith-Based Entities And Activities—Title IV Programs
 - TEACH
- [Federal Register notice, July 31, 2018](#)

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Statutory Update, Consolidated Appropriations Act, 2018 Public Law 115-141 (H.R. 1625)

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Omnibus Appropriations Bill

On March 23, 2018 the President signed the Consolidated Appropriations Act, 2018, Public Law 115-141 (H.R. 1625)

Impacts Federal student aid in several ways:

- Maximum Pell Grant increasing \$175 for 2018-2019
- FAFSA use
- Children of Fallen Heroes Act
- Public Service Loan Forgiveness (PSLF)

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FAFSA Data Use

The appropriations law permits, but does not require, institutions to provide FAFSA data to a scholarship granting organization designated by an applicant if:

- The applicant has provided explicit written consent and
- The disclosure is to assist the applicant in applying for and receiving financial assistance at that institution

The scholarship organization cannot sell or otherwise share the FAFSA data they receive from institutions under this section

This provision will remain in effect until the HEA is reauthorized

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Children of Fallen Heroes Scholarship Act

Amends Sec. 473(b) of HEA

Expands special rule for "EFC shall be deemed zero"

Student must be eligible to receive Pell Grant for the year in which eligibility determination is made beginning with 2018-2019 award year (EFC > 0 and ≤ the maximum EFC for Pell Grant)

Parent or guardian actively serving as a public safety officer and died in the line of duty while performing as a public safety officer

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Children of Fallen Heroes Scholarship Act

At time of parent or guardian's death student was:

- Less than 24 years of age or;
- Enrolled at an institution of higher education on a part-time or full-time basis

Partial Pell Grant to full Pell Grant

Zero EFC used for all other title IV aid

Further guidance will be forthcoming

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Public Service Loan Forgiveness (PSLF)

\$350 million appropriation for temporary expansion of PSLF

Otherwise eligible Direct Loan borrowers

PSLF ineligible solely due to some or all payments made under a non-qualifying repayment plan (such as the Extended Repayment Plan)

Further guidance:

[Electronic Announcement, May 23, 2018](#)

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Federal Pell Grant Program

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Revised Pell Grant Schedules

The most recent budget bill raises the maximum Pell Grant by \$100 from \$6,095 to \$6,195 for the 2019-2020 award year

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Federal Perkins Loan Program

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Perkins Wind-down

[Dear Colleague Letter GEN-17-10](#)

ED will begin collecting Federal share of schools' revolving funds after submission of the 2019-2020 FISAP (Distribution of Assets)

Schools are not required to liquidate their Perkins Loan portfolios

If a school chooses to liquidate, it should submit the school's intent to liquidate through the COD CB system

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Distribution of Assets Process

- Statutory Requirement in the HEA, Section 466
- Distribution of Assets process will be replacing the existing Excess Liquid Capital process
- Process and deadline will be provided later this year

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Distribution of Assets Process

Schools will be notified in late Fall, after the next FISAP deadline: October 1, 2018

Both contributions and repayments of Fund capital from Federal Government and/or from the school over time are considered in formula

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Distribution of Assets Process

Schools may NOT reimburse themselves for service cancellations.

- Section 465(b) of the HEA prohibits the use of funds appropriated for Federal Capital Contribution from being used for cancellation reimbursement.
- The Consolidated Appropriations Act, 2018 (Pub. L. 115-141) appropriated funds for Fiscal Year 2018 for the Campus-Based programs, but did not allocate funds for Federal Perkins Loan service cancellation reimbursements.

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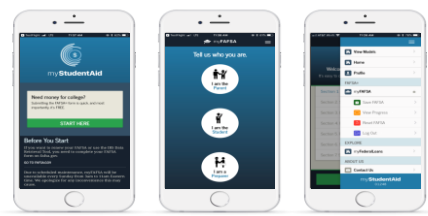


Operational Reminders

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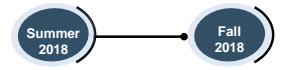
myStudentAid Mobile App – Summer 2018



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FAFSA® Going Mobile Timeline



- fafsa.gov responsive web application with updated branding
- MyStudentAid mobile app featuring the 2018–19 FAFSA form
- Integration of the fafsa.gov home page into StudentAid.gov with updated branding
- MyStudentAid mobile app featuring only the 2019–20 FAFSA form

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Year-Round Pell Grants

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Legislative Background

The Consolidated Appropriations Act of 2017 allows a student to receive Pell Grant funds up to 150% of the student's Scheduled Award for an award year

Effective beginning with the 2017-2018 award year

Applied to the summer of 2017 ONLY IF treated as a header to 2017-2018 award year

[Dear Colleague Letter GEN-17-06](#)

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General Requirements

Student must be otherwise eligible to receive Pell Grant funds for the payment period

Student must be enrolled at least half-time in the payment period for which the student received the additional Pell Grant funds

Additional Pell Grant will be included in the student's 600% maximum Pell Lifetime Eligibility Used (LEU)

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Verification

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2018–2019 Verification

Same data items

Same Verification tracking groups

Some changes for 2018-2019

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2018–2019 Verification Changes

Internal Revenue Service (IRS) Data Retrieval Tool (DRT) is available again

Dependent students who are nontax filers do not have to provide confirmation of nonfiling status from the IRS or other relevant tax authority

Clarified that an applicant selected for V4 or V5 verification must submit an unexpired valid government-issued photo ID

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V4/V5 Reporting Reminder

Institutions are reminded to regularly report the verification results of identity and high school completion status using FAA Access to CPS Online

Results should not be reported in instances where the institution itself has selected the student for verification of identity or high school completion status

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V4/V5 Reporting Reminder

This reporting requirement continues to be in place for both the 2017-2018 and 2018-2019 processing years.

Institutions should not wait until the award year concludes before these results are reported.

[Electronic Announcement, November 18, 2016](#)

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Verification FRN 2019-2020

[Federal Register Notice](#) informing the community of the 2019-2020 FAFSA information to be verified was published on March 28, 2018

There are **NO** changes to:

- FAFSA items that may require verification
- Verification tracking groups
- Acceptable documentation
- Departmental verification selection

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Verification FRN 2019-2020

[Electronic Announcement, June 8, 2018](#), verification suggested text for 2019-2020

The technical specifications for the 2019–2020 ISIR record layout, which includes the Verification Tracking Flag values, will be available on the IFAP website July 2018

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FSA Publications Distribution

- After Aug. 30, 2018, we will no longer print or deliver FSA publications (except for the FAFSA form).
- Review your current inventory. If needed, order publications at FinancialAidToolkit.ed.gov/orderpubs.
- Publications will still be available electronically.
 - FinancialAidToolkit.ed.gov/resources
 - StudentAid.gov/resources
 - IFAP.ed.gov
 - StudentLoans.gov

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Electronic G-845 Confirmation Process

Instructions on how to access and use the SAVE system, and links to SAVE system resources, are available on the "DHS-SAVE, Eligible Noncitizen" information page on [IFAP](#)

[Electronic Announcement, February 26, 2018](#)

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2019-2020 Need Analysis Tables

As required in Sec. 482 of the HEA, the 2019-2020 need analysis tables are to be published by June 1

[Federal Register notice, May 17, 2018](#), provided the Federal Need Analysis Methodology for the 2019-2020 Award Year

[Federal Register notice, June 8, 2018](#), the Federal Register published a correction to the Educational Savings and Asset Protection Allowance tables for a missing line

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Thank you!

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We Appreciate Your Feedback

To ensure quality training we ask all participants to please fill out an online session evaluation:

<https://www.surveymonkey.com/r/ZacharyGoodwin>

This evaluation tool provides a means to inform us of areas for improvement, and to support an effective process for listening to our customers.

Additional feedback about training can be directed to Mark Gerhard at Mark.Gerhard@ed.gov.

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ED Contacts

[Reach FSA](#)
855.FSA.4FAA.....One number to reach 7 contact centers!



- | | |
|----------|--|
| eZ-Audit | School Eligibility Service Group |
| COD | CPS/SAIG |
| NSLDS | Nelnet Total & Permanent Disability Team |
| G5 | |

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