



## ISSUE BRIEF

### Higher Education Act Reauthorization

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Advanced degrees are becoming a necessary entry-level requirement for many of the fastest growing occupations of the 21<sup>st</sup> century. America's capacity to develop the talent required to meet national needs and to compete in the global economy depends on individuals having access to quality postsecondary education, both undergraduate and graduate. The reauthorization of the Higher Education Act provides the opportunity to include policy changes that address these challenges so that America has the educated and skilled workforce necessary to advance the U.S. economy. These changes may however, require different approaches for undergraduate and graduate students.

CGS recommends the following principles for HEA reauthorization:

#### **Establish procedures that support master's and doctoral students in making informed financial aid decisions to reduce their borrowing and debt.**

- Provide loan counseling for students at points of transition in the education continuum.
- Clarify the difference between the amount students are eligible to borrow versus the amount they need to borrow, and require the student to affirmatively make the choice.
- Include information regarding the sources of funding that comprise the student's award package and the tax liability associated with each source of funding.
- Notify periodically, master's and doctoral students of their loan repayment options and the amount of interest accrued on their loans.
- Consolidate, reduce and simplify the number of loan repayment strategies available to students, including income-driven repayment options that are income- not degree-based, with the goal of reducing defaults and the amounts of debt forgiven.
- Eliminate duplicative costs of borrowing for a given academic year.

#### **Modify Annual and Aggregate Loan limits**

- Provide sufficient federal financing options to graduate students so that they do not seek private education loans.
- Set separate undergraduate and graduate aggregate loan limits for federal loans.
- Provide authority to periodically review and adjust the annual and aggregate student loan limits.

#### **Create incentives for innovative programs and programs that increase degree completion and respond to the demands of the workforce in areas of national need.**

- Provide Pell Grants to income-eligible graduate students who did not exhaust their full Pell eligibility as undergraduates, up to the total number of semesters allowed in law.
- Encourage the design and implementation of graduate programs that combine rigorous disciplinary content with workforce expectations.
- Revise the "areas of national need" under Graduate Assistance in Areas of National Need (GAANN) to include consideration of the arts, humanities and social sciences.
- Continue the eligibility of graduate students to participate in College Work Study.
- Retain Public Service Loan Forgiveness (PSLF) as an incentive to pursue careers in jobs that serve the public good.