



## HIGHER EDUCATION ACT REAUTHORIZATION PRIORITIES

### **Re-invest in and Modernize Pell Grants**

- Fund the maximum Pell Grant at \$5,935 in FY 2017 and double it to \$12,000 over the HEA reauthorization period to enhance its purchasing power for low-income college students.
- Restore the “summer” Pell Grant to help students earn their degrees faster and at a lower cost.
- Institute a \$300 award bonus for students taking at least 15 credit hours a semester
- Restore the income threshold to \$32,000 for students to automatically qualify for the maximum Pell Grant.
- Repeal the six-year limit for Pell Grant eligibility.
- Make an early Pell Grant funding commitment to low-income high school students to increase college-going rates.
- Reinstate access to Pell Grants for incarcerated individuals eligible for release with “Second Chance Pell Grants.”

### **Lower Federal Student Loan Interest Rates and Eliminate Fees; Expand Income-based Repayment**

- Lower federal student loan interest rates and eliminate origination fees to make loans more affordable.
- Allow students to refinance older, higher rate student loans to take advantage of today’s lower interest rates.
- Incorporate robust loan counseling and financial literacy education for students.
- Establish universal income-based student loan repayment to help students manage loan debt and eliminate defaults.

### **Improve PLUS Loans**

- Lower interest rates and eliminate origination fees to make loans more affordable for eligible parents and graduate students.
- Incorporate loan counseling for parents so that they understand their loan obligations.

- Extend the eligibility period for PLUS Loans to two award years.
- Provide parents with income-based repayment options in addition to current repayment plans.
- Grant institutions flexibility to provide additional federal aid to students in good academic standing whose parents are denied PLUS loans.

### **Delay Cohort Default Rate (CDR) Sanctions**

- Suspend CDR sanctions for two years to provide HBCUs time to meet new requirements before eliminating eligibility for federal student aid.

### **Modernize Title III Formula Grants**

- Extend the annual \$85 million mandatory Title III appropriations for the life of the HEA.
- Lower the matching rate to 50% for portion of Title III grants used to build endowments and allow endowment income to support scholarships.
- Allow Title III funds for distance education programs and support services as described in the Title V program authorization.
- Modernize the Title III funding formula.

### **Expand the HBCU Capital Financing Program**

- Increase cumulative loan authority from \$1.1 billion set in 2008 to at least \$3 billion to accommodate institutional infrastructure needs.
- Create a flexible alternative for institutions to the pooled escrow requirement.
- Lower loan interest rates for STEM-related facilities to expand STEM capacity.
- Limit excess loan collateralization.

### **Support and Spur Innovation at HBCUs**

- Establish an HBCU Innovation Fund to provide the resources and incentives for HBCUs to experiment, pilot, evaluate and scale up innovative practices for student success.

### **Hawkins Centers of Excellence**

- Retain the existing program for training highly qualified teachers at Minority-Serving Institutions.