

**Federal Student Aid
Policy Update
2018**

Zack Goodwin, US Department of Education
OASFAA Conference, Columbus, OH
October 2018



Negotiated Rulemaking



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



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 awards
- FAFSA use
- Children of Fallen Heroes Act
- Public Service Loan Forgiveness (PSLF)

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Pell Grant Maximum Award

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

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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 Perkins Loan Program

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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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FAFSA

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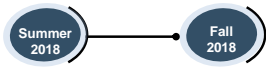
myStudentAid Mobile App – Summer 2018



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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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Electronic Announcement: October 25, 2018

- Email campaign beginning October 29, 2018
- To be sent to 2018-2019 FAFSA filers, and parents if dependent, to remind them to complete the 2019-2020 FAFSA

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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 2018-2019 and 2019-2020 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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Miscellany

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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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Federal Register: October 25, 2018

- Fixed Direct Loan interest rates for loans first disbursed on or after July 1, 2018 and before July 1, 2019:
 - Undergraduate: 5.05%
 - Graduate/professional: 6.60%
 - Parent: 7.60%

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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: Chicago

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ED Contacts

Reach FSA

855.FSA.4FAA.....One number to reach 7 contact centers!

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



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