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STRENGTHENING AMERICA'S HIGHER EDUCATION SYSTEM

HEARING

BEFORE THE

SUBCOMMITTEE ON HIGHER EDUCATION AND WORKFORCE TRAINING

COMMITTEE ON EDUCATION AND THE WORKFORCE

U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

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STRENGHTENING AMERICA'S HIGHER EDUCATION SYSTEM

Tuesday, March 17, 2015
House of Representatives,
Subcommittee on Higher Education and Workforce Training,
Committee on Education and the Workforce,
Washington, D.C.

The subcommittee met, pursuant to call, at 10:06 a.m., in Room 2175, Rayburn House Office Building, Hon. Virginia Foxx [chairwoman of the subcommittee] presiding.

Present: Representatives Foxx, Roe, Guthrie, Messer, Curbelo, Stefanik, Allen, Adams, DeSaulnier, Davis, Courtney, and Polis.

Also present: Representatives Kline, Rokita, and Scott.

Staff present: Lauren Aronson, Press Secretary; Janelle Belland, Coalitions and Members Services Coordinator; Amy Raaf Jones, Director of Education and Human Resources Policy; Nancy Locke, Chief Clerk; Brian Melnyk, Professional Staff Member; Daniel Murner, Deputy Press Secretary; Krisann Pearce, General Counsel; Jenny Prescott, Legislative Assistant; Mandy Schaumburg, Education Deputy Director and Senior Counsel; Emily Slack, Professional Staff Member; Alissa Strawcutter, Deputy Clerk; Tylease Alli, Minority Clerk/Intern and Fellow Coordinator; Austin Barbera, Minority Staff Assistant; Eamonn Collins, Minority Education Policy Advisor; Denise Forte, Minority Staff Director; Rosa Garcia, Minority Senior Education Policy Advisor; Scott Groginsky, Minority Senior Education Policy Advisor; Christian Haines, Minority Education Policy Counsel; and Tina Hone, Minority Education Policy Director and Associate General Counsel.

Chairwoman Foxx. Good morning. A quorum being present, the Subcommittee on Higher Education and Workforce Training will come to order.

Welcome to the first hearing of the Subcommittee on Higher Education and Workforce Training in the 114th Congress.

I would like to thank our witnesses for joining us today. We appreciate the opportunity to learn from you about how to strengthen America's postsecondary system as Congress works to reauthorize the Higher Education Act.

Today, too many Americans struggle to realize the dream of higher education. Our current system is unaffordable, inflexible, and outdated, and has resulted in too many students unable to

complete college, saddled with loan debt, and ill-equipped to compete in our modern economy. In recent years, more federal regulations, a lack of transparency, and a dizzying maze of student aid programs have only contributed to the problem.

Students and families deserve better. The upcoming reauthorization of the Higher Education Act provides Congress an opportunity to help every individual, regardless of age, location, or background, access and complete higher education if they choose.

To inform the reauthorization process, the Education and the Workforce Committee have held more than a dozen hearings. After receiving feedback from students, institutions, innovators, administrators, and researchers, the committee established a set of key principles that will guide our reform of the postsecondary education law.

First, we must empower students and families to make informed decisions when it comes to selecting the institution that meets their unique needs. Today's higher education resources are incomplete, inaccurate, and often complicate the financial aid process, misguiding students about their academic and financial options. Developing a more streamlined and transparent system, as well as enhancing financial literacy services, will help students better understand the higher education landscape and make choices based on easy-to-understand, relevant information.

Second, we must simplify and improve student aid. Currently, the federal government operates more than 10 aid programs, each with its own set of rules and requirements.

Many students, particularly first-generation and low-income students, are overwhelmed by the complexity of the current system, which can ultimately deter them from accessing the aid that will help make college a reality. Consolidating this patchwork of aid programs will simplify the application and eligibility process and help more students understand, manage, and repay their debt.

Third, we must promote innovation, access, and completion. In recent years, as the postsecondary student population has changed, many institutions have developed new approaches to delivering higher education, including competency-based curriculums and online classes. The federal government should make every effort to support these innovations, as they have enabled more Americans to earn a degree or certificate faster, with less cost, and without additional disruption to their daily lives.

Finally, we must ensure strong accountability while limiting the federal role. The current administration has subjected institutions to onerous requirements and regulations, which have created a costly and time-consuming process, hampered innovation, and jeopardized academic freedom. Eliminating ineffective federal burdens will provide states and institutions the flexibility they need to deliver effectively a high-quality education to their students.

We are confident, with guidance from higher education leaders such as you, these pillars will translate into meaningful federal reforms that reflect the evolving needs of students and the workforce. We welcome your policy recommendations on how we can strengthen America's higher education system to serve students, families, workers, and taxpayers better.

I look forward to hearing from you and from my colleagues on this important issue.

With that, I now recognize my North Carolina colleague, and Democrat colleague, the ranking member of the subcommittee today, Congresswoman Alma Adams, for her opening remarks.

Prepared Statement of Hon. Virginia Foxx, Chairwoman, Subcommittee on Higher Education and Workforce Training

Today, too many Americans struggle to realize the dream of higher education. Our current system is unaffordable, inflexible, and outdated, and has resulted in too many students unable to complete college, saddled with loan debt, and ill-equipped to compete in our modern economy.

In recent years, more federal regulations, a lack of transparency, and a dizzying maze of student aid programs have only contributed to the problem. Students and families deserve better.

The upcoming reauthorization of the Higher Education Act provides Congress an opportunity to help every individual – regardless of age, location, or background – access and complete higher education, if they choose.

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We welcome your policy recommendations on how we can strengthen America's higher education system to serve students, families, workers, and taxpayers better. I look forward to hearing from you and from my colleagues on this important issue.

Ms. ADAMS. Thank you, Chairwoman Foxx, for holding this hearing on the reauthorization of the Higher Education Act. In Ranking Member Ruben Hinojosa's absence, I will be serving as your Democratic co-chair of today's subcommittee hearing, and I am glad to do so.

I wish to acknowledge the ranking member of our full committee, Congressman Bobby Scott, and thank him for being here for this

important hearing, which marks the beginning of our efforts related to reauthorization of the Higher Education Act.

To our distinguished panel of experts, welcome, and thank you for joining us this morning.

Today's committee discussion will focus on ways Congress and the federal government can strengthen America's higher education system. For committee Democrats, increasing affordability, accessibility, and student success in higher education are key priorities for the reauthorization of the Higher Education Act this Congress.

Attaining a college degree is more important than ever. According to a recent report of the Georgetown University Center on Education and the Workforce, by 2018, 65 percent of all jobs will require some form of postsecondary education.

In light of this, I am deeply concerned that children living in poverty will be left behind without a college degree. As this committee considers the reauthorization of the Higher Education Act, we must ensure that all students, including low-income students that are often students of color, have access to a high-quality postsecondary education and are equipped with the knowledge and 21st century skills that are needed to succeed.

First, the reauthorization must address college affordability and strengthen federal student aid programs. In my view, increasing the purchasing power of the Pell Grant, restoring the year-round Pell Grant program, can make college more affordable for millions of students.

Today, approximately 8.4 million students benefit from the nation's federal Pell Grant program. The maximum Pell Grant award of $5,700 in 2014, however, covers less than one-third of the cost of a public 4-year institution. A restoration of the year-round Pell Grant program could help to accelerate degree completion for Pell recipients and reduce college costs.

So I am pleased that my colleagues on the other side of the aisle recognize the value of incentivizing flexibility, continuous enrollment, and college completion for Pell Grant recipients.

And with regard to federal direct loans, it is vitally important that students and families maintain access to student loans with low interest rates and affordable repayment options. To reduce student loan defaults and protect student borrowers, we must do a better job of improving loan servicing and help struggling borrowers to rehabilitate their loans.

We must also ensure that parents have access to Parent PLUS loans. As you are aware, the changes made to Parent PLUS loan programs in 2011 made it more difficult for nearly 28,000 HBCU students and their families to afford the cost of a college degree.

And let's be clear, the federal government cannot do this alone. states and institutions must do their part to rein in college costs and make college more affordable.

To be sure, the federal government can strengthen the federal-state partnership on higher education by incentivizing states to bolster state investments in higher education and state financial aid programs. This type of partnership could help make college more affordable and accessible for students.

And while our nation has one of the most comprehensive and reputable higher education systems in the world, disparities among

institutions persist. For example, HBCU's and minority-serving institutions continue to be under-resourced. HBCUs represent 3 percent of the nation's institutions of higher learning but graduate nearly 20 percent of African Americans who earn undergraduate degrees.

In addition, the institutions graduate more than 50 percent of African American professionals and public school teachers. Having earned an undergraduate and master's degree from an HBCU, as well as having taught at one for 40 years, I clearly understand the longstanding contributions that these institutions have made to higher education. And because of my experiences, I am especially pleased to co-chair the bipartisan congressional HBCU caucus, with my colleague, Bradley Byrne. Given their vital importance to underrepresented and low-income students, the federal government must continue to support and invest in these institutions.

In particular, the reauthorization of Higher Education Act must ensure that HBCUs and minority-serving institutions have the capacity and the resources they need to thrive and provide students with access to a high-quality education.

And finally, our nation's higher education system must improve completion rates for all students. We must move away from linear measurements of success that do not take into account the unique circumstances that face low-income students that are often students of color. Without a college degree, it becomes more difficult for students to access good jobs and careers and to improve their lives.

So moving forward, I look forward to working with my colleagues on both sides of the aisle to reauthorize the Higher Education Act in this Congress.

Chairman Foxx, with that, I yield back.

Prepared Statement of Hon. Alma S. Adams, a Representative in Congress from the State of North Carolina

Thank you, Chairwoman Foxx, for holding this hearing on the reauthorization of the Higher Education Act (HEA). In Ranking Member Rubén Hinojosa's absence, I will be serving as your Democratic Co-Chair of today's subcommittee hearing.

I wish to acknowledge the Ranking Member of our full committee, Congressman Bobby Scott, and thank him for being here for this important hearing, which marks the beginning of our efforts related to the reauthorization of Higher Education Act.

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In light of this fact, I am deeply concerned that children living poverty will be left behind without a college degree. As this committee considers the reauthorization of the Higher Education Act, we must ensure that all students, including low-income students that are often students of color, have access to a high quality postsecondary education and are equipped with the knowledge and 21st century skills they need to succeed.

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We must also ensure that parents have access to Parent PLUS loans. As you are aware, changes made to Parent PLUS Loan Program in 2011 made it more difficult for nearly 28,000 HBCU students and their families to afford the cost of a college degree.

But let's be clear, the federal government cannot do this alone.

States and institutions must do their part to rein in college costs and make college more affordable. To be sure, the federal government can strengthen the federal-state partnership in higher education by incentivizing states to bolster state investments in higher education and state financial aid programs. This type of partnership could help to make college more affordable and accessible for students.

While our nation has one of the most comprehensive and reputable higher education systems in the world, disparities among institutions persist. For instance, HBCUs and Minority Serving Intuitions continue to be under-resourced. HBCUs represent only three percent of the nation's institutions of higher learning, but graduate nearly 20 percent of African Americans who earn undergraduate degrees. In addition, the institutions graduate more than 50 percent of African American professionals and public school teachers.

Having earned both an undergraduate and master's degree from an HBCU, as well as having taught at one for 40 years, I clearly understand the long-standing contributions that these institutions have made to American higher education and to society.

Because of my experiences, I am especially pleased to co-chair the bipartisan Congressional HBCU Caucus with my colleague Bradley Byrne. Given their vital importance to underrepresented and low-income students, the federal government must continue to support and invest in these institutions.

In particular, the reauthorization of the Higher Education Act must ensure that HBCUs and Minority Serving institutions have the capacity and resources they need to thrive and provide students with access to a high quality education now and into the future.

Finally, our nation's higher education system must improve college completion rates for all students.

We must move away from linear measurements of success that do not take into account the unique circumstances that face low-income students, that are often students of color.Without a college degree, it becomes more difficult for students to access good jobs and careers and improve their lives.

Moving forward, I look forward to working with my colleagues on both sides of the aisle to reauthorize the Higher Education Act in this Congress.

Chairman Foxx, with that, I yield back.

Chairwoman Foxx. Thank you, Congresswoman Adams.

Pursuant to committee rule 7(c), all members will be permitted to submit written statements to be included in the permanent hearing record, and without objection, the hearing record will remain open for 14 days to allow such statements and other extraneous material referenced during the hearing to be submitted for the official hearing record.

It is now my pleasure to introduce our distinguished witnesses, and I recognize Mr. Rokita and Mr. Messer to introduce our first witness—or, Mr. Messer first?

Mr. MESSER. I will certainly follow the wishes of the chair. My apologies. I thought Mr. Rokita was going first, but I am glad to greet my good friend, Governor Daniels. And he is a close enough

friend of mine that I know he is no fan of long introductions, so I will try to keep my comments brief.

You know, of all the praise and accolades I could give our good governor, now the former governor, now the president of Purdue, I would just focus on one, and that is that Mitch Daniels gets things done, that everywhere he has been, from his distinguished business career at Eli Lilly to his time as governor of Indiana, where we balanced budgets, had record levels of investment in infrastructure, and reformed government so much so that the consumer experience at the Bureau of Motor Vehicles is actually liked by the residents of Indiana now, as you can get in and out in less than 10 minutes, to his time now at Purdue, where he has frozen tuition and received national accolades for that—freezing tuition at the 2012–2013 levels—established innovative programs with Amazon that save students up to 30 percent on their textbooks, even creating a competency-based degree at Purdue Polytechnic—at the Purdue Polytechnic Institute.

Mitch Daniels is somebody who, throughout his career, has demonstrated that he knows it is important what we say, but even more important what we do, and that at this time when many are cynical about public policy, the real anecdote to that cynicism is to deliver results. This is a man I know who delivers results.

I am proud to call him my friend. I was proud to call him the governor of Indiana. And I am today very proud to call him the president of Purdue.

Thank you for being here today.

Mr. ROKITA. Thank you, Chair.

Let me add to that introduction simply by saying grateful for former Indiana governor and now president of Purdue University, Mitch Daniels, for being here. We served together, he as governor and myself as secretary of state, for a good number of years, and together we supported each other's work, and I am very proud to be a part of the largest transportation infrastructure investment program in Indiana's history, economic development issues, as Representative Messer mentioned, but also thorny political issues, like reforming Indiana's congressional districts and even a photo ID that makes sure every vote—at the polls that makes sure every vote counts equally.

They are all examples, as Congressman Messer pointed out, of a simple motto that says, "Leaders lead." And that certainly was Governor Daniels, and now I—we continue to support former Governor Daniels as President Daniels, as he leads Purdue University in the heart of Indiana's 4th District.

Under President Daniels' leadership, it is important to note that tuition at Purdue University has been frozen, and until Mitch did that I don't know of any other university that even attempted it. And now dominoes are falling and other universities are replicating it. I am sure we will hear from the other witnesses today about that.

And I hope that other university leaders have the courage to not only emulate some of the ideas occurring at Purdue University, but to even improve upon them. And I am sure we will hear more examples and ideas from President Daniels directly, so I invite com-

mittee members to welcome a great Hoosier and American, Purdue University president and former Indiana governor, Mitch Daniels.

And I yield back.

Chairwoman Foxx. You may want to take them on the road with you.

Mr. DANIELS. I am the one who is grateful. Grateful to the—

Chairwoman Foxx. I am pleased to introduce our remaining witnesses.

Dr. Christine Keller is the vice president of research and policy analysis at the Association of Public and Land-Grant Universities, APLU, here in Washington, D.C. She also directs the Voluntary System of Accountability on behalf of APLU and the American Association of State Colleges and Universities, and oversees the cross-sector Student Achievement Measure project on behalf of multiple higher education associations.

Before joining APLU, she was the assistant director of institutional research and planning at the University of Kansas and the associate dean of continuing education at Sterling College in Sterling, Kansas.

Dr. David A. Bergeron is the vice president for postsecondary education at the Center for American Progress here in Washington, D.C. Previously, Mr. Bergeron served more than 30 years at the U.S. Department of Education. During his years with the department, Mr. Bergeron acted as the secretary of education's chief advisor on higher education issues, administered more than 60 grant and loan programs annually, and was responsible for the federal postsecondary education program budget and the legislation, regulations, and other policies affecting the department's postsecondary education programs.

Mr. Michael J. Bennett is the associate vice president of financial assistance services at St. Petersburg College in St. Petersburg, Florida. Mr. Bennett has worked as a financial aid administrator for the past 34 years. He is a former chair of the National Association of Student Financial Aid Administrators and the former president of the Eastern Association of Student Financial Aid Administrators and the New Jersey Association of Financial Aid Administrators.

I now ask our witnesses to stand and raise your right hand.

[Witnesses sworn.]

Let the record reflect the witnesses answered in the affirmative.

Before I recognize you to provide your testimony, let me briefly explain our lighting system. You have 5 minutes to present your testimony.

When you begin, the light in front of you will turn green. When 1 minute is left, the light will turn yellow. When your time is expired, the light will turn red.

At that point I will ask that you wrap up your remarks as best you are able. Members will each have 5 minutes to ask questions.

I would like now to recognize the Honorable Mitch Daniels for his comments.

TESTIMONY OF HON. MITCHELL E. DANIELS, JR., PRESIDENT, PURDUE UNIVERSITY, WEST LAFAYETTE, INDIANA

Mr. DANIELS. Grateful to the chair, to Congresswoman Adams, and to the committee for this chance to be here today.

Thanks, of course, to my good friends, and our congressmen at Purdue, Todd Rokita and Luke Messer.

Thank you very much for the chance to come say, first of all, on behalf of the American higher education system, that at a time in which our national leadership is under challenge in various dimensions, one area in which we are unquestionably the leader of the world is in the quality of our higher ed system. And yet, questions are being asked about that system we have not heard before. They are legitimate, and the system calls out for modernization and change.

And the timing of this hearing, the timing of the renewal of the act under consideration here could hardly be better. The United States government can help in many ways with the concerns of cost and accommodating new modes of learning better suited to today's young people, better suited to the national economy.

The two areas—and I was so grateful to hear both of our—the leaders of the committee speak to these—two areas I would single out, among others, in which the Congress can be of great help.

First of all, in lowering the barriers to innovation. Comes slowly enough in higher ed, but many, many universities—and I believe ours is one—are eager to adapt and to new technologies, to new needs in the marketplace.

Many of the rules in place, many of the aspects of the current law get in the way; for instance, at Purdue we are very eager to begin using summer or making it possible for our students to use their summers more extensively than they have historically to proceed to degrees in fewer than 4 years, and here—Congresswoman Adams mentioned certainly one way in which the Congress could help, by liberalizing the grant programs that we have. The same applies to competency-based education, allowing students and helping students to move forward at their own rate and not on the arbitrary agrarian calendar we inherited.

There are a host of regulations which have grown up over the years. All, I am sure, are well intentioned. I recommend to the committee's attention the tremendous report by the American Council on Education, which details the difficulties that these regulations now cause and has a host of specific requests for greater flexibility.

They impose enormous cost on the system. At our university, based on the work done at Vanderbilt and elsewhere, it is entirely credible to assert that as much as $200 million is consumed in complying with the entire complex of regulations. We could send 20,000 Hoosier students to school for free with that amount of money.

So this is a—really a marvelous opportunity that is in front of the nation, and I would like to say that at our university we accept the assignment to play our part. We have worked to make the school more accessible and affordable.

We have frozen tuition, and we are in the second year of at least a 3-year hold. Those students who arrived at Purdue when I did

will—those who graduate in 4 years will never see a tuition increase, and that is a first for us in a long, long time.

We have reduced the cost of room and board 10 percent. We have acted more recently to reduce the cost of the third most expensive item, which is textbooks. Meanwhile, we are making very substantial investments in new modes of teaching, some of which I have mentioned here.

So we thank very much this committee and those other members of Congress who will work with you. We do have the finest system anywhere.

It is absolutely imperative to our national success that we make it more accessible, more affordable, and more accountable than it has been. This is a marvelous opportunity not to be missed.

[The testimony of Mr. Daniels follows:]

PURDUE
UNIVERSITY

OFFICE OF THE PRESIDENT

Written Testimony of
Mitchell E. Daniels
President, Purdue University
Before the U.S. House of Representatives
Committee on Education & Workforce
Subcommittee on Higher Education and Workforce Training

March 17, 2015

Chairman Foxx, Ranking Member Hinojosa and members of the Subcommittee on Higher Education and Workforce Training, thank you for the opportunity to testify before you on the critical issues facing higher education. I am Mitch Daniels, President of Purdue University, a land grant institution founded in 1869 in West Lafayette, Indiana. The university proudly serves Indiana, as well as the nation and the world. Academically, Purdue's role as a major research institution is supported by top-ranking disciplines in pharmacy, business, engineering, and agriculture. More than 38,000 students are enrolled from all 50 states and 130 countries.

In January of 2013, I sent a letter to the Purdue community in which I wrote: "I doubt that even the most focused and specialized of Purdue researchers has failed to notice the criticisms and the sometimes apocalyptic predictions swirling around higher education these days. They come from outside observers and lifelong academics and from all points of the philosophical compass."

To anyone hoping that such turmoil in the once-secure world of American higher education would be short-lived, the months since brought no comfort. In 2014, total national enrollments fell by more than a percentage point for the third straight year. Community colleges and proprietary schools were hit the hardest, but no sector was immune. Even some Ivy League universities saw a drop in applications.

A host of schools, public and private, reported severe financial problems. Moody's found that one in ten four-year universities is facing "acute financial distress," and downgraded the credit rating for dozens of them, and for the sector as a whole. Public support for higher education, cut dramatically in many states over recent years, is far from a complete explanation, but has contributed: Funding is down 20% in Nevada, 28% in New Hampshire, and 32% in Arizona, since 2008, for instance.

As one consequence, tuition levels and student debt continued their ascents, although at slower rates than in the recent past. Tuitions still outpaced inflation, and a record number declined admission to their first-choice school for cost reasons.

The class of 2014 was labeled "the most indebted ever," with more than 70% leaving school with loans averaging an all-time record of $33,000. The problem is not offset by increases

Hovde Hall, Room 200 ▪ 610 Purdue Mall ▪ West Lafayette, IN 47907-2040 ▪ (765) 494-9708 ▪ Fax: (765) 494-7875

in earning power: While student debt jumped 35% between 2005 and 2012, the median starting salary dropped by more than 2%. Historically high percentages are unemployed, and a discouraging 44% of recent graduates are working in jobs that do not require a college degree.

Even though the debt balloon is a fairly young phenomenon, several damaging results are already evident. Research from the Pew Research Center and Rutgers shows that today's 20- and 30-year-olds are delaying marriage and delaying childbearing, both unhelpful trends from an economic and social standpoint. Between 25% and 40% of borrowers report postponing homes, cars and other major purchases. Half say that their student loans increase their risk of defaulting on other bills. Strikingly, 45% of graduates age 24 and younger are living back at home or with a family member of some kind, according to a researcher at the Pew Research Center.

Other new evidence shows that it's not just consumer spending that these debts are denting, but also economic dynamism. A variety of indicators suggest that the debt burden is weighing on the engine that has always characterized American economic leadership — and the factor that many have assumed will overcome many structural and self-imposed challenges — our propensity to innovate and to invent new vehicles of wealth creation.

But more alarming to me than any of those statistics was a finding by Gallup in October. The percent of Americans who believe that a college degree is "very important" has plummeted, from 75% in 2010 to 44% today. With critics relentlessly pointing out the lack of results or demonstrated quality to justify the soaring costs, this stunning diminution is unlikely to reverse as quickly as it came.

Such concerns have given rise to a new class of higher education skeptics. It's now common to hear questions asked about higher education that few used to ask. Is a degree really worth it? What does a diploma really mean? Are universities teaching the skills society needs? Is university research addressing the world's greatest challenges? How can today's levels of student debt be justified?

At Purdue we take these questions seriously. We've responded by prioritizing affordability, accountability and quality, or as we describe it, "higher education at the highest proven value."

At Purdue, prioritizing affordability started with a philosophical shift in how we budget. Instead of determining how much we want to spend and then asking parents to adjust their budgets, we now do the opposite. For the first time in nearly four decades we froze tuition, and then we did it again in the two subsequent years. I like to reflect on the fact that the freshmen who started with me at Purdue will graduate without ever seeing a tuition increase. Since they arrived on campus, these students also saw their room and board costs go down and they can now save about 30% on textbooks through a first-of-its-kind partnership with Amazon.

Another tack has been to aggressively teach students about the dangers of over borrowing. Instead of relying on a single person, we employ 18 student peer counselors who repeat that message all over campus. From before students arrive to the day they leave with their degrees, we coach our Boilermakers on the prudent use of loan dollars. We have a preliminary default rate of just over 3%, but among those who graduate, it's around 1.5%.

Our collective efforts have begun to make a detectable difference. The overall cost of attendance at Purdue has gone down the last two years, for the first time on record. Total debt has dropped 18%, or some $40 million, in those same two years, such that now our graduates with debt owe amounts well below the national average.

In the area of accountability, we partnered with the Gallup organization to craft the largest database ever assembled to evaluate the life success of American college graduates. We then followed this national survey of 30,000 graduates with a survey of Purdue alumni so that we could benchmark against the national results.

Meanwhile, we are moving forward with a plan to measure the growth of our students in the four years they are here. We first piloted a test that measures the critical thinking skills of a sample of incoming freshmen. We will soon retest these students as they graduate in order to prove what we already know anecdotally, that a Purdue education is highly valuable when it comes to developing intellectual ability.

These moves to address affordability and accountability have gone hand in hand with major investments in the quality of our teaching and research. These investments include transforming our College of Technology into a Polytechnic Institute, augmenting our plant science and drug discovery research, growing our computer science program (the first in the nation), and expanding our engineering program. Within a few years, we will contribute at least 5% annually to the national call to graduate 10,000 new engineers a year.

Throughout this growth, we will maintain the rigor that has always characterized a Purdue education. Grade inflation is a phenomenon that never arrived at Purdue. Our average GPA climbed less than one tenth of a point in the last 35 years while an average school's GPA inflates by more than that every decade.

Among our investments in quality is a goal to be the national leader in modernizing our approach to teaching. This includes "flipping the classroom," a pedagogical strategy that allows students to watch lectures as homework online and then use classroom time for hands-on group projects and teacher assistance. The strategy combines the best of both online and traditional instruction, and we've proven empirically that it leads to better learning outcomes. The Department of Education recently gave us a vote of confidence through a "First in the World Grant" that will allow us to expand the program and to help other universities learn from our success.

While the goals of affordability, accountability and quality remain works in progress, Purdue is doing its part. We will continue to do so as a matter of permanent policy and not a one-time gesture.

Still, not all the blame for the public's loss of confidence in higher education should fall to colleges and universities. Overcoming public doubt will require the federal government to bear some of the burden of reform. It's my great hope that this Congress will have the courage to see the challenges, and to treat reauthorization of the Higher Education Act as an opportunity for reform.

My remarks today will only barely wade into the many ways scarce education dollars are squandered and innovation inhibited by the regulatory burden placed upon higher education. And I will leave for another day a discussion of how serious reform of the K-12 system is necessary to ensure college readiness — an important topic for this Congress to consider.

My principal message to this subcommittee is that the country needs a reauthorization of the Higher Education Act that will:

- Reduce the costs of higher education's regulatory burden
- Simplify and improve financial aid
- Create an environment more conducive to innovation in higher education

Regulatory Reform
Federal regulation of higher education is so expansive that it touches literally every employee and impacts every student. Purdue is so heavily regulated that we can only estimate how much more expensive tuition is because of compliance costs.

As this subcommittee is aware, an exhaustive study by the Boston Consulting Group of Vanderbilt University found that 11% of its budget goes towards compliance. I would estimate that as a public university, our compliance costs are much higher than our private institution peers. Even a conservative application of Vanderbilt's 11% figure to Purdue's budget would mean that our institution pays over $200 million in compliance costs a year, enough to fund 20,000 full-tuition scholarships for our resident students.

Financial Aid
The most costly federal regulations stem from the current financial aid system. At Purdue we spend several million dollars in financial aid compliance costs each year.

But the financial aid system is more than a regulatory burden. It also is far too complex. Each year an estimated 2 million students nationwide who qualify for Pell Grants never complete the Free Application for Federal Student Aid (FAFSA). One reason is that the FAFSA is unnecessarily redundant and complex. Recent efforts to couple the application with automatically retrieved IRS data are a good start, but only a start. Eliminating the FAFSA altogether and relying on tax data and a simple form would be even better. At a

minimum, reducing the number of questions from the current amount, 108, is an obvious course of action. Surely, we can do without questions on clergy living allowances, untaxed health savings accounts and college savings. The many questions about assets serve mainly to add complexity and penalize families who plan ahead.

Basing decisions on a prior-prior year (PPY) basis would enable better alignment of the application process with existing IRS data. The current system, which uses the previous year's financial records, is prone to delays and complications that result from the routine tax process. Switching to PPY would allow time for tax forms to be processed, corrected and analyzed before admissions decisions are made and FAFSA applications are due. It would be advantageous both in terms of financial planning and connecting the application to existing data.

Flexible Pell Grants

Purdue is moving boldly to create opportunities for students to graduate in less time. Last fall we created our first three-year degree program. Students studying any of the five degrees in the Brian Lamb School of Communication can take the same number of credit hours and still graduate one year faster. The program will save students $10,000-$20,000 dollars in tuition costs and even more in opportunity costs as graduates enter the workforce sooner.

Our longer term strategy is to shift to a trimester schedule that leaves behind the outdated agrarian calendar. With tremendous assistance from our faculty, who offered an unprecedented number of required or popular courses, summer credit hour enrollment has risen 19% in the last two years at Purdue. This result did not happen easily, and ran counter to a national trend.

If this growth can be sustained and our switch to a trimester is successful, our students will need more liberty to use federal financial aid year-round. The current limitations on when federal aid can be used inhibit promising programs to alleviate student debt and to better use campus facilities in the summer months.

Competency-based Education

Last fall, Purdue launched the nation's first competency-based education program located on a major research campus. This program, housed in the new Purdue Polytechnic Institute, allows students to progress as they develop mastery. The first graduates of this program will emerge with proven competencies, not merely seat time. Employers will not have to guess whether these students really are ready for the market.

Despite our optimism, the Purdue Polytechnic Institute has been inhibited by the inflexibility of the federal definition of student progress. Nationally, this is the largest roadblock to more widespread use of competency-based programs. A redesign of financial aid so that it is separable from semesters or credit hours would free institutions like Purdue to maximize the potential of these nascent programs.

Income Share Agreements
At Purdue we are interested in programs that would allow investors, perhaps devoted alumni, to fund a college student's education in exchange for a small share of the student's future income. Such arrangements would create incentives for organizations to support students with mentoring and career counseling without putting tax dollars at risk. However, widespread use of income share agreements is not realistic without legal clarity and adjustments to the regulation of student data. Therefore, Congress should act to provide sufficient protections and regulatory guidance for investors, students and borrowers interested in such arrangements.

Accreditation Reform
Purdue pays $150,000 a year in direct accreditation fees, but we pay much more in the significant staff and faculty hours that go into accreditation documentation. The extent of these costs is difficult to estimate, because they are spread so vastly throughout our organization. It's common for universities to report that reaccreditation expenses can reach $1 million and can take nearly three years to complete.

Specialized program accreditation adds another layer of cost and complexity. At any given moment, Purdue is likely to have at least one accreditation process ongoing with one of the 17 different accrediting agencies we work with, whether it's in pharmacy, engineering, veterinary medicine, or another specialized program.

The penalty for non-compliance, a loss of federal aid, would be so severe, that institutions have no choice but to go along with the process, no matter how burdensome or costly it becomes.

Meanwhile, the barriers to entry created by this system make it next to impossible for new players in the higher education market to generate serious competition. An alternative path to federal aid eligibility would benefit higher education startups and improve competition. For existing institutions, a streamlined process would allow more resources to go to student support and instruction. Less reliance on bureaucratic reviews and more measurement of student growth, reported through relevant, transparent data holds the most promise.

Conclusion
The United States is often praised for having the best higher education system in the world. I agree, and believe this leadership is central to our ongoing national success. But if we are to maintain our current advantage, we will need to make changes, starting now. It's an opportunity not to be missed.

Chairwoman Foxx. Dr. Keller?

TESTIMONY OF DR. CHRISTINE M. KELLER, VICE PRESIDENT, RESEARCH AND POLICY ANALYSIS, EXECUTIVE DIRECTOR, VOLUNTARY SYSTEM OF ACCOUNTABILITY AND STUDENT ACHIEVEMENT MEASURE, ASSOCIATION OF PUBLIC AND LAND–GRANT UNIVERSITIES, WASHINGTON, D.C.

Ms. KELLER. Good morning. Chairwoman Foxx, Ranking Member Adams, and members of the subcommittee, thank you for inviting me to speak this morning.

Access to meaningful postsecondary data for decision-making has become increasingly important for consumers, policymakers, and institutions. I am pleased to share with you this morning lessons we have learned through our experiences with the Voluntary System of Accountability and the Student Achievement Measure.

The VSA is an initiative by public 4-year universities to supply basic data on the undergraduate student experience through a common Web report, the "College Portrait." Developed in 2007, the VSA is jointly sponsored by APLU and the Association of State Colleges and Universities. We currently have 270 participating institutions.

The VSA champions the importance of providing information in a comparable and understandable way to students, families, and policymakers. Each institution's college portrait includes data in areas such as college cost, financial aid, degree programs offered, and educational opportunities such as undergraduate research or study abroad.

The VSA remains the only national initiative that publicly reports direct evidence of student learning.

The Student Achievement Measure, or SAM, was created with one goal in mind: to provide a more complete national picture of student progress and outcomes than the current federal graduation rate. By tracking only outcomes for full-time students who graduate from their first institution, the federal graduation rate is increasingly outdated for today's mobile and diverse students. Using SAM, institutions can track the graduation of full-time, part-time, and transfer students, as well as students still enrolled and working toward a degree or certificate.

Currently, SAM has 559 participating institutions and shows the outcomes of the half million more students than the federal graduation rate. SAM is sponsored by all six of the presidential higher education associations and represents public, private, 2-year, and 4-year institutions.

Overall, our experience with the VSA and SAM provide three lessons that are particularly relevant for HEA reauthorization.

One: Build a foundation of trustworthy data. Reliable information is the foundation for any reporting system.

It is true that the perfect metric or data source rarely, if ever, exists. However, it is equally true that the data needs to be reliable enough to represent a realistic set of outcomes. When a data source or metric no longer meets that standard, it should be replaced—for example, the federal graduation rate.

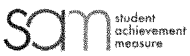
Lesson two: Leverage the data already collected and reported. Too much data can be overwhelming to external audiences and a burden for institutions.

It is important for those of us who collect and disseminate data to work together to better align definitions, enhance comparability, and minimize reporting burdens. Before adding other data elements at the federal level, for example, we should question what data elements to remove as well as what information is already reported at the state level or through national systems.

Lesson three: Report key limited information at the federal level. APLU recommends minimizing the federal data collected to focus on a few key elements related to access, affordability, progress and completion, and post-collegiate outcomes, ensuring that the most relevant information is readily available to all students. Additional contextual information could be made available through institutions' Web sites, links to state dashboards, or national data initiatives such as the VSA.

In closing, thank you for the opportunity to offer some of the lessons we have learned. I look forward to your questions.

[The testimony of Dr. Keller follows:]



Written Testimony of
Christine M Keller, PhD
Vice President, Research and Policy Analysis
Executive Director, Voluntary System of Accountability & Student Achievement Measure
Association of Public and Land-grant Universities

Before the Subcommittee on Higher Education and Workforce Training
House Education and the Workforce Committee

Hearing on
"Strengthening America's Higher Education System"

March 17, 2015

Chairwoman Foxx, Ranking Member Hinojosa, and members of the subcommittee. Good morning and thank you for the opportunity to testify.

My name is Christine Keller and I am the Vice President of Research and Policy Analysis at the Association of Public and Land-grant Universities (APLU). I am also the Executive Director of two voluntary national accountability and transparency initiatives: the Voluntary System of Accountability (VSA) College Portrait and the Student Achievement Measure (SAM).

Over the past decade, federal investment in higher education has grown, public demand for a postsecondary degree has risen, and tuition costs to attend a college or university have increased. For public institutions state appropriations are at historic lows. The combination of these factors has led to demands for more evidence on the value and meaning of a college degree from a variety of constituent groups.

Access to clear, meaningful data has become increasingly important to answer questions and provide essential information for higher education stakeholders – for student and families to make more informed decisions about where to attend college; for policymakers to determine allocations of public resources and evaluate institutional effectiveness; and for college leaders to facilitate innovation and successful student outcomes.

Efforts by the federal government and states along with voluntary collective efforts by institutions and associations provide crucial lessons on data collection and reporting that can help shape future policy and practice for the benefit of all parties. I am pleased to be able to share with you this morning examples of some of the key lessons we have learned while leading the VSA and SAM projects.

VOLUNTARY SYSTEM OF ACCOUNTABILITY (VSA) COLLEGE PORTRAIT

The Voluntary System of Accountability is an initiative by public four-year universities to supply basic comparable information on the undergraduate educational experience through a common web report, the College Portrait. (The "VSA" is the overall initiative while the "College Portrait" is the common website where the information gathered for the VSA are reported – www.collegeportraits.org.) Developed in 2007 with the direct involvement of over 70 public university leaders, the VSA is jointly sponsored by APLU and the Association of State Colleges and Universities (AASCU). We currently have 270 participating institutions.

The VSA was a collective response to calls from external stakeholders for understandable and comparable data on student outcomes. These calls were epitomized by the Commission on the Future of Higher Education, known more commonly as the Spellings Commission, which was especially focused on a standard way to measure/report learning outcomes across all types of institutions.

Of the accountability initiatives that were created in response, the VSA is the only national initiative that publicly reports direct evidence of student learning. As I will discuss in more detail later, this requirement led to some of our greatest challenges and continues to provide lessons as we work with our institutions to evolve and refine our reporting requirements.

Successful student outcomes depend on the effectiveness of the overall learning environment for students and on the availability of quality faculty and programs. That's why the College Portrait provides key information for students, families, and policymakers on the full undergraduate experience. Data on the cost of students to attend, the availability and amount of financial aid awarded, the array of degree programs offered, and campus experiences available to students such as opportunities to participate in undergraduate research, internships, or to study abroad, are included. To promote consistency, the data reported on the College Portrait use common definitions and reporting guidelines from nationally recognized data sources such as Integrated Postsecondary Data System (IPEDS), National Survey of Student Engagement (NSSE), and National Student Clearinghouse (NSC). Data are reported using a standard format and presentation, making it easy for stakeholders to compare information from one campus to another.

While we have learned many lessons since the VSA began in 2007, two lessons in particular illustrate the ability of a voluntary initiative to experiment, innovate, and adapt to participant feedback and changes in the broader higher education landscape: 1) the reporting of student learning outcomes and 2) the creation of a new student progress and completion measure.

Reporting of Student Learning Outcomes

The reporting of student learning outcomes within the VSA began with a four-year pilot project that measured outcomes in a specific way - the learning gains in written communication and critical thinking between first year and senior year students as determined by three standardized tests. At the time, this value-added methodology was relatively new in higher education, but represented an opportunity for public universities to demonstrate the learning of their students in a comparable way, regardless of the composition of their student body.

A comprehensive external evaluation near the end of the pilot demonstrated that this first attempt at measuring and reporting student learning outcomes, while a good start, presented challenges in terms of the usefulness of the results for campuses and in communicating the results to stakeholders in a meaningful way. Several changes were recommended by the evaluators, which the VSA Oversight Board subsequently approved. Most significantly, the options for assessment instruments and administration requirements were expanded to give colleges and universities more flexibility in selecting an instrument that fit best with their full campus assessment program. The diversity of campus needs in combination with their existing assessment plans meant that there was not a single approach that would provide information for all external audiences or would deliver actionable data to support internal campus improvement efforts across all institutions. Under revised reporting requirements, institutions can now choose from one of four different assessment instruments and two options for administration – the original value-added methodology or a benchmarked approach that allows for comparison to national norms.

One of the reporting options added was the VALUE (Valid Assessment of Learning in Undergraduate Education) Rubrics that the American Association of Colleges and Universities developed in partnership with teams of faculty and other higher education professionals from more than 100 institutions between 2007 and 2009. The VALUE Rubrics offer a common framework for faculty to evaluate the quality of student learning for 16 essential learning outcomes, including critical thinking, written communication, and analytical reasoning. The evaluations are based on samples of student work produced within the context of their courses, making it easier for campuses to use the results to evaluate and guide program improvements.

These adjustments were made in collaboration with institutional leaders and assessment experts within one year – a timeline that would have not been possible if the requirements had been mandated by legislation.

A New Student Progress and Completion Measure

The original teams developing the VSA recognized the need for a more comprehensive metric for student attainment to report more outcomes for more students than the federal graduation rate. The Success and Progress Rate was originally created in partnership with the National Student Clearinghouse specifically for use within the VSA. The Success and Progress Rate is a more complete measure of outcomes for bachelor's

degree seeking students. The measure tracks the continued enrollment and completion of not only first time students who start and finish at the same institution, but students who attend multiple institutions before they graduate. The federal graduation rate misses this huge and growing percentage of students.

While the Success and Progress Rate has clear advantages for providing a more complete picture of student outcomes and attainment, it was a new idea in 2008 and many campuses were initially uncertain about whether to embrace it. The Success and Progress rate was the first time that enrollment and degree data from the National Student Clearinghouse (NSC) was reported in aggregate for public accountability purposes - previously the NSC data was primarily used to aid in enrollment verification for students with loans and to verify degrees conferred for employers. During the first few years of the VSA, many institutions worked closely with the National Student Clearinghouse to ensure the data they were reporting for enrollment and degree verification was consistent with and appropriate for this new application.

The development and testing of the Success and Progress Rate by the higher education community within the VSA helped build trust in both the methodology and data sources. The Success and Progress Rate is now an established and trusted metric within four-year public universities and is increasingly used by participating institutions to provide more complete evidence to stakeholders. This pioneering work led directly to the creation of the Student Achievement Measure (SAM), which goes beyond the public higher education sector.

In sum, the VSA champions the importance of providing information in a comparable and understandable way to external audiences. It provides a space for institutions to experiment with new metrics for progress and completion and for applying learning outcomes assessments across a large group of institutions. The VSA continues to demonstrate the benefits of a system that is flexible, agile, and can adapt to changing information needs and evolving data availability.

STUDENT ACHIEVEMENT MEASURE (SAM)

The Student Achievement Measure was created with one goal in mind - to provide a more complete national picture of student progress and completion for all institutions than the current federal graduation rate, which is increasingly outdated and shows only a subset of the outcomes for today's mobile and diverse students. SAM brings together two models for reporting more outcomes for more students – the Success & Progress Rate from the VSA and a complimentary measure developed as part of the American Association of Community Colleges' Voluntary Framework of Accountability, the six year Progress and Outcomes Measure.

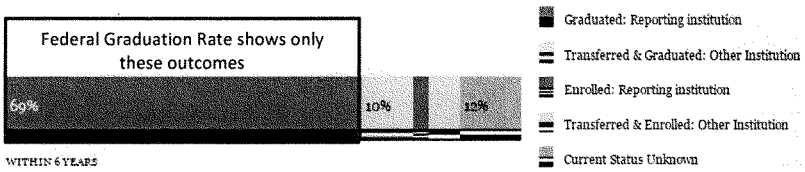
More specifically, the federal graduation rate tracks only first-time, full-time students who start and finish their educational career at their first institution. We know that only one-third of postsecondary students

currently fit the "traditional student" profile and over half of bachelor's degree recipients attend more than one institution before earning their degree.

Currently, SAM has 559 colleges and universities participating and is able to show the outcomes of a half million more students than the federal graduation rate. SAM is a cross-sector initiative and is open to all institutions - public, private, two-year and four-year. We continue to conduct outreach efforts to recruit more participants and to publicly demonstrate the value of a more comprehensive, realistic measure of student outcomes. In fact, if all eligible institutions were to use SAM, we would be able to track the outcomes of 1.9 million more students than the federal graduation rate.

I invite you to visit the SAM website, www.studentachievementmeasure.org, and look at the data institutions have already posted to see the value of this initiative. As an example, at Appalachian State University, 69 percent of first-time freshmen who started in Fall 2008 graduated within six years. The federal graduation rate reports only that outcome, leaving the outcomes of nearly 30 percent of first-time, full-time students unknown and potentially considered "drop-outs." Utilizing data from the National Student Clearinghouse, the SAM metric shows that an additional 10 percent of students graduated from another institution and another 9 percent are still enrolled at Appalachian State or another institution – leaving the status of only 12 percent of students unknown. In short, SAM includes the outcomes of nearly 20 percent more first-time, full-time students at Appalachian State than the current federal graduation rate. This is a much more realistic picture of student progress. Equally important, the federal rate does not include any of the transfer students Appalachian State receives while SAM is able to track the progress and success of the nearly 900 transfer-in students who began in 2008.

SAM Six-year Outcomes for Appalachian State University



SAM includes full-time and part-time students, those entering postsecondary education for the first time and those who have transferred from other institutions. It includes two models – one for bachelor's seeking students and one for associate/certificate seeking students. Within each model, outcomes for each group of students are tracked over the same period of time. There are five possible outcomes for bachelor's seeking students: 1) graduated from the original institution; 2) transferred/graduated from another institution; 3) still enrolled at the original institution; 4) transferred/still enrolled at another institution; and 5) status unknown. There are four possible outcomes for associate/certificate seeking students: 1)

graduated from the original institution; 2) still enrolled at the original institution; 3) transferred to another institution; and 4) status unknown.

SAM is sponsored by all six of the presidential higher education associations – APLU and AASCU as well as the American Association of Community Colleges (AACC), the Association of American Universities (AAU), the American Council on Education (ACE), and the National Association of Independent Colleges and Universities (NAICU).

SAM is endorsed by nine other education organizations: the Association of Governing Boards of Universities and Colleges (AGB), the College Board, the Education Delivery Institute (EDI), the National Association of System Heads (NASH), the National Center for Higher Education Management Systems (NCHEMS), the National Institute for the Study of Transfer Students (NISTS), the State Higher Education Executive Officers Association (SHEEO), the Coalition of Urban Serving Universities (USU), and the Western Interstate Commission for Higher Education (WICHE).

LESSONS LEARNED FROM THE VSA & SAM

Overall, the VSA and SAM have reinforced the importance of publicly reporting meaningful and accurate data for students and families to make better decisions, for policymakers to fairly evaluate performance and target resources, and for institutions to support evaluation and innovation. The lessons learned from these projects offer guidance to others considering how to address the diverse data needs of higher education stakeholders within a complex system. I will highlight four of these lessons particularly pertinent for discussions during HEA reauthorization.

Lesson 1: Build a Foundation of Trustworthy Data

Reliable data is the foundation for any reporting system regardless if the system is created by an association, state, or the federal government. The underlying data have to be of reasonable quality and sufficient coverage. It is true that the perfect metric or data source rarely, if ever, exists. However, it is equally true that the data needs to be reliable enough to represent a realistic set of outcomes for today's students and reliable enough for users to make good decisions. When a data source or metric no longer meets this standard it should be replaced. As an example, the federal graduation rate has become outdated and is no longer sufficient to meet the information needs of users as it is limited to providing outcomes for shrinking subset of students.

Lesson 2: Leverage the Data Already Collected and Reported

Too much data can be overwhelming to external audiences and a burden for institutions. The data collected should be as parsimonious as possible. This is particularly true of information required as part of federal reporting systems. Consider the vast array of data already collected through IPEDS and displayed on College Navigator, the College Scorecard, and the College Affordability and Transparency Center to

name a few. Add to the mix data collected and displayed as part of state and national accountability initiatives and it is no wonder that users are overwhelmed or confused.

It is important for those of us who collect and disseminate postsecondary data to work together to better align data definitions, enhance data comparability, and minimize the reporting burden. Before adding other data elements at the federal level, the question of what data elements to remove should be considered as well as what information is already reported through other avenues such as state or national systems. Federal data policy should leverage the work and recommendations of collaborative efforts already underway.

Lesson 3: Report Meaningful, Limited Information at the Federal Level

To insure the most relevant information is readily available to all students, APLU recommends minimizing the federal data collection to focus on a few, key data elements related to access, affordability, progress and completion, and post-collegiate outcomes.

The specific metrics endorsed by APLU include: student progress and completion rates similar to SAM, median net price by income level, post-college employment and enrollment in graduate school, and repayment rates. Links to additional contextual information on institutions' websites, state dashboards, or national data initiatives would supplement and enrich the federal collection of the core elements (e.g., the Voluntary System of Accountability College Portrait, the Voluntary Framework of Accountability, and the University and College Accountability Network).

Lesson 4: Educate Users on Key Metrics

Traffic patterns within the College Portrait website showed that some of the data we believe are most critical for making informed judgments about colleges and universities were rarely viewed. In other words, the lesson is that it is not enough to simply display data or metrics on a webpage. Users need guidance on what types of metrics and data are important and why.

Therefore, data-related policies should support the effective and targeted dissemination of data to users so they can effectively use the information in their decision-making. Considerable and sustained efforts must be invested to ensure such information reaches the targeted audiences, in particular students and families from underrepresented and disadvantaged backgrounds. Possibilities for increasing awareness of such data could include partnering with high schools or college access organizations and conducting social media campaigns.

CLOSING

Thank you for the opportunity to offer some of the lessons we have learned through the VSA and SAM in our efforts to meet the data needs of external stakeholders. I look forward to your questions.

Chairwoman Foxx. Thank you very much.

Mr. Bergeron?

TESTIMONY OF MR. DAVID A. BERGERON, VICE PRESIDENT, POSTSECONDARY EDUCATION, CENTER FOR AMERICAN PROGRESS, WASHINGTON, D.C.

Mr. BERGERON. Thank you, Chairwoman Foxx, Ranking Member Scott, and Ranking Member Adams, for the opportunity to appear before the subcommittee today.

Many years ago, when I was—when the Pell Grant program was in its second year, I was fortunate enough to receive a grant to cover most of the cost of attending the University of Rhode Island. My parents could not afford to have two children in college, and a year later a third, enrolled even in a public college, at the same time. If it hadn't been for that support, I wouldn't be here testifying today, and I know there are millions of other students who followed me since then, receiving support.

Bit about the Center for American Progress: CAP is an independent, nonpartisan policy institute that is dedicated to improving the lives of all Americans through bold and progressive ideas. Postsecondary education plays a critical role in enabling citizens to climb the ladder of economic mobility.

The federal investments in higher education have paid dividends. Since the 1970s, the college-going rate for low and middle-income students has grown dramatically, and enrollment now reaches 28 million students per year. Without investments in Pell Grants, student loans, and other federal programs like the support that is provided to historically black colleges and universities, these increases in enrollment and college-going rates among students from low and middle-income families would not have been possible.

College education continues to be the best deal for students who graduate, but investments in higher education also pay dividends for the broad society. Workers who have some college earn more than those who just have a high school diploma, and studies have shown that for every 1 percent increase in the share of a population of a state that holds a bachelor's degree, the earnings of those who drop out of high school or drop out of high school also increased by 1.9 and 1.6 percent, respectively.

There are troubling signs, making it urgently important for us to do more. First, experts show a shortfall—project a shortfall in the number of college-educated workers of 5 million by 2020, when 65 percent of all jobs will require a bachelor's degree, or an associate's degree, or some other education beyond high school. This is especially true for middle school jobs that require more than high school—a high school diploma but less than a bachelor's degree.

Second, the growing levels of student loan debt, as institutions continue to charge more. And I applaud the efforts made by Governor Daniels to restrain increases at Purdue. And, as was noted, many other institutions are following his lead. The tuition increases in recent years have left significant gaps in funding for students and families, and private loans have often been used to fill that gap.

One of the reasons that we have seen these gaps in funding is because states have reduced their support to their public commu-

nity college and 4-year community—colleges and universities, in which three-quarters of our students enroll today.

To combat the erosion of state support, which has resulted in increases in tuition and fees and student loan debt, the Center for American Progress has called for the creation of a public college quality compact that would ensure that students have access to affordable education and are able to earn credentials and degrees. President Obama's proposal to make the first 2 years of college free at community colleges is an important step forward, as our work has shown that community colleges bore the brunt of the spending cuts in public higher education in recent years.

But we need to go further. The center has called for the creation of a College for All program that would ensure that all families would have access to financial aid and through which students would repay some of that aid in—through wage withholding.

Finally, we have called for improvements to the quality assurance system in American higher education. Today we rely on accrediting agencies and—to ensure that our institutions of higher education deliver high-quality programs, but too often our institutions fail our students and they saddle the students with too much debt. And we also hear from employers that those who graduate just don't have the basic skills that are needed for the workforce.

Thank you for the opportunity to be here today, and I am happy to answer questions.

[The testimony of Mr. Bergeron follows:]

Testimony before The House Committee on Education and the Workforce
Subcommittee on Higher Education and Workforce Training
Hearing on Strengthening America's Higher Education System

Statement of David A. Bergeron
Vice President for Postsecondary Education Policy
Center for American Progress

March 17, 2015

Thank you, Chairwoman Foxx, Ranking Member Hinojosa, and all the Members of the subcommittee for inviting me to testify today. My name is David Bergeron and for the past two years, I have been the vice president for Postsecondary Education Policy at the Center for American Progress.

Many years ago, when the Basic Education Opportunity Grant, now the Pell Grant program, was in its second year, I was fortunate enough to receive a grant that covered much of my cost of attending the University of Rhode Island. If it weren't for that support—and the National Direct Student Loan and Work-Study funds that followed—I would not be here testifying before you. My parents could not afford to have two and, a year later, three students enrolled in public colleges at the same time. Even after all these years, I still appreciate the support that the citizens of this nation gave me and millions of other Pell Grant recipients.

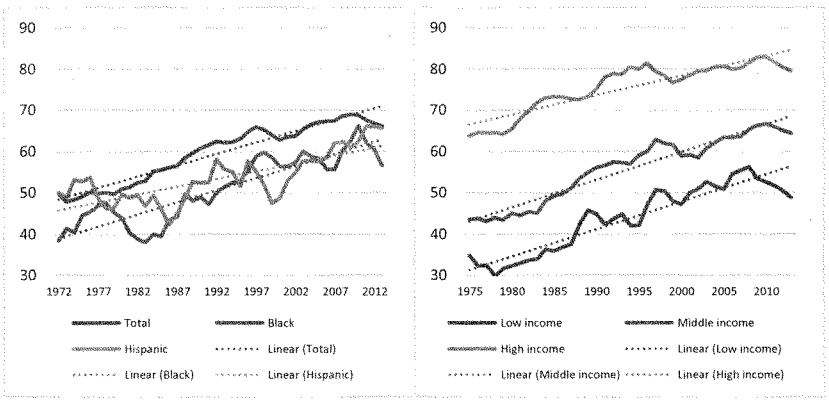
A bit about the Center for American Progress: CAP is an independent nonpartisan policy institute that is dedicated to improving the lives of all Americans, through bold, progressive ideas, as well as strong leadership and concerted action. Our aim is not just to change the conversation, but to change the country. As progressives, we believe America is a land of boundless opportunity, where people should be able climb the ladder of economic mobility. We believe we owe it to future generations to protect the planet and promote peace and shared global prosperity. And we believe an effective government can earn the trust of the American people, champion the common good over narrow self-interest, and harness the strength of our diversity.

It is in this context that CAP conducts its work on postsecondary education. Education beyond high school is key to enabling citizens to climb the ladder of economic mobility and federal,

state, local, and tribal governments together play a vital role in making high-quality postsecondary education accessible and affordable for all Americans. Postsecondary education builds the knowledge, skills, and abilities of a workforce that are necessary for economic growth.

Before going into some of our recommendations for strengthening America's higher education system, let me provide some context. Since the 1970s, college-going rates have gone up by one-third and most significantly for low- and middle-income students—up 40 percent and 48 percent, respectively, since 1975—and African American students, up 47 percent since 1972.[1] As important as the college-going rate is, just the shear increase in the numbers of students attending our nation's colleges and universities has been stunning: Enrollments in degree-granting institutions have soared by 160 percent since the late 1960s to nearly 21 million in fall 2011. Total enrollment for the 2011–12 academic year exceeded 28 million.[2]

Figure 1: Share of recent high school graduates enrolling immediately in college
By race/ethnicity **By family income**

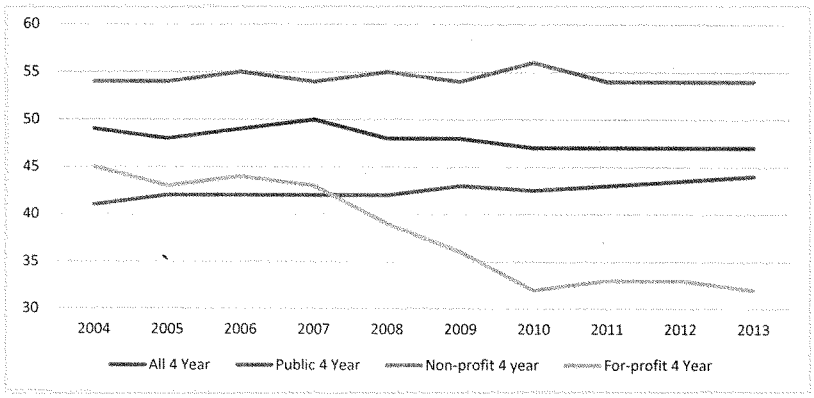


SOURCE: National Center for Education Statistics, Digest of Education Statistics 2015.

Without the investment in Pell Grants, student loans, and other federal programs such as TRIO and institutional aid programs, the increases in college-enrollment and -going rates, particularly among students from low- and middle-income families, would not have been possible. Today, 13.2 million students rely on some form of federal student aid with 8.2 million students relying on federal Pell Grants to cover a portion of their college costs.[3] Nearly 785,000 students participate in the federal TRIO programs.[4] These programs assist low-income, first-generation college students enroll and succeed in college. Another 312,438 African American students—more than 10 percent of all African American students in higher education—are enrolled at one of the nation's historically Black colleges and universities that receive vital support under the federal government's institutional aid programs that also assist institutions that enroll substantial numbers of low-income students who are native American, Hispanic, Alaska Native, Native Hawaiians, Asian American, and Native American Pacific Islander.[5] These kinds of supports have been critical and will continue to ensure access and success for the most vulnerable students.

Given the rapid expansion in postsecondary education opportunities, it is surprising that college completion rates for students attending the same institution have been flat. Indeed, you would expect completion rates to decline as more students, frequently those less prepared for the rigors of higher education, entered college in large numbers. However, that did not happen. And, if we were able to look at the success of students who transferred among institution, we would see that graduation rates for students who begin postsecondary education at some types of institutions, such as community colleges, would be substantially higher if data on the performance of the system overall were available.

Figure 2: Median graduation rate within 150 percent of normal time to degree from the same four year college or university



SOURCE: CAP analysis of IPEDS graduation rate data collected by the National Center for Education Statistics.

College continues to be the best deal for students who graduate, but investments in higher education also pay dividends for the broader society. A 2014 study by Sandy Baum concluded that workers who have some postsecondary education—whether they earned a degree or not—are likely to earn more than they would without postsecondary education. Workers with some postsecondary education—again, whether they earned a degree or not—are more likely to be employed and more likely to be working full time.[6] Significantly, a study by Enrico Moretti concluded that for every 1 percent increase in the share of the population of a state or community that holds bachelor's degrees, earnings of individuals who dropped out of high school or stopped after high school earned 1.9 percent and 1.6 percent more, respectively.[7]

We need to do more. A recent study by Center on Education and the Workforce at Georgetown University found that there will be a shortfall of 5 million college-educated workers by 2020 when 65 percent of all jobs will require bachelor's or associate's degrees or some other education beyond high school. This is particularly true in the fastest growing occupations—science, technology, engineering, mathematics, or STEM, health care, and community service. In fact, 23 percent of those STEM jobs will be middle-skill jobs that require education past high school but do not require a bachelor's degree or higher.[8] There is still more to do, and there are things that can be done through the various systems of investment in higher education to strengthen it.

States have long played a primary role in providing access to affordable higher education through systems of public community colleges and four-year colleges and universities. These institutions enroll three out of every four students in college today. However, direct state funding for public institutions has failed to keep pace with increased enrollment in nearly every state, leading to a decrease in direct support per student. Over the past five years, we have seen 20 states decrease direct investment by more than 20 percent per student, and 18 states decreased their direct investment between 5 percent and 20 percent per student. Only in four states was direct support increased by more than 5 percent per student.[9]

Let me quickly summarize the proposals that the Center for American Progress has made over the past year to strengthen postsecondary education in the United States.

Restoring state funding in higher education

To combat the erosion in state support to higher education, CAP has called for the creation of a Public College Quality Compact that would ensure that students have access to an affordable education and are able to earn credentials or degrees. Under the compact, the majority of funds would be allocated to states based on support for low-income and military veterans, measured by the share of Pell Grant and GI Bill beneficiaries.

Participating states would be required to create reliable funding streams to provide at least as much as the maximum Pell Grant per student in indirect and direct support to public colleges and universities to ensure that students and prospective students can prepare for and enroll in postsecondary education with certainty. States would also be required to ensure that college is affordable by guaranteeing that low-income students who pursue an associate's or bachelor's degree would receive grant aid from the compact to cover their enrollment at public institutions; to improve performance by setting outcome goals for institutions, such as increased graduation rates, and by implementing proven, successful strategies that improve student performance at the institutional level; and to remove barriers and state and institutional policies that stand in the way of college completion by standardizing transfer-credit and admissions requirements and by raising K-12 learning standards to align with readiness for postsecondary entry-level courses.

President Barack Obama's proposal to make the first two years of college free at our nation's community colleges is an important step forward. It begins the process of restoring public support for our most critical of public colleges: community colleges. CAP's research has shown that these institutions bore the brunt of the spending cuts in public support while they continued

to provide much-needed access to the kinds of education and training that are necessary to grow our nation's economy and strengthen the middle class.

College for All

In 2013, CAP convened a global Commission on Inclusive Prosperity composed of American and international policymakers, economists, business leaders, and labor representatives. The commission was charged with developing new and thoughtful solutions to spur middle-class growth aimed at establishing sustainable and inclusive prosperity over the long term in developed economies. The report of the commission provided an outline of a College for All plan to make education beyond high school universally available in the United States without students or families having to come up with the funds to pay tuition and fees prior to enrolling either at a community college or a public four-year college or university.

The goal of College for All is not to say that everyone who graduates from high school in the United States must go on to get a bachelor's degree; rather, everyone should have the opportunity to achieve the highest level of education that they want for themselves, without financial barriers.

A key element of College for All is making a commitment of federal aid to families when their children are entering high school. The commitment would cover the cost of attending a public college in the child's home state with the mix of loans and Pell Grants based on their family's long-term economic circumstance.

Today, a family's income in just the calendar year immediately prior to enrolling is used to determine the amount and types of federal aid a student will receive. This assessment may, or may not, bear any relationship to the long-term economic health of the student's family. Looking at the long-term economic health of families would enable grant funds to be better targeted.

Also, the current system often leaves significant gaps in the amount of aid provided to cover the cost of attendance. In 2011–12, for example, students from the bottom income quintile faced average costs not met by grants and loans at public four-year colleges of nearly $6,700, or 58 percent of the average income of this group—discouraging many low- and middle-income students from pursuing degrees or opting for the less expensive, lower quality options.

Much of the aid that is provided today must be repaid. That would continue to be true under College for All. But repayment would be based on the graduate's income and would be collected primarily through wage withholding such as the Internal Revenue Service does today for Social Security taxes. Former students who are struggling economically would not be required to make payments until their earnings are adequate. Repayment terms could be more generous for low- and moderate-income borrowers than the income-based repayment options available today and those borrowers would be required to repay only for a specified period of time—for example, 20 years.

CAP will be releasing additional details on College for All in the coming months but firmly believe that the reforms we are proposing will help more students enter prepared for the rigors of the postsecondary education they are embarking on and ensure that they have the financial

resources necessary for success. But this plan will only work if states reinvest in higher education.

What does value look like in higher education?

The final issue I would like to touch on briefly this morning is quality assurance as it relates to the various ways that the federal government provides support to institutions of higher education. In the federal student aid system, the federal government relies primarily on accrediting agencies and states to ensure that participating institutions of higher education are delivering quality educational programs. Given the complaints raised by students and employers, it is time to think again about how quality is assured at institutions where students use the federal support that they receive whether it is under one of the programs supported under the purview of this committee or another, such as the Veterans Affairs Committee.

In 2014, CAP released a column that suggested it might be time to create a new accountability system for federal investment in higher education. Such a system could operate like the Moody's rating system with institutions placed in large categories reflecting performance against key metrics. Among the key metrics that would need to be included in the accountability system are whether the institution provides access to underserved populations; whether the institution is affordable—after the consideration of federal, state, and institutional grants—to students from low- and middle-income families; whether the institution retains and graduates students from low- and middle-income families on time—two years for an associate's degree and four years for a bachelor's degree; and whether graduates successfully go on to graduate school, professional education, or enter the workforce and earn an adequate amount to meet the needs of their

families and comfortably repay their student loans, either through service or regular monthly payments.

As CAP conceived it, the new accountability system would operate in conjunction with the existing federal student aid, including being authorized to offer a postsecondary education by a state and being accredited by an agency recognized by the secretary of education. In this instance, poor performing institutions on all measures or that provide access but do not achieve good outcomes for their students would be ineligible to participate in the various systems of federal aid. However, such a system could also be used to decouple accreditation from eligibility for federal benefits permitting current institutions and, potentially, new providers to participate in the federal programs based on the outcomes they produce.

Conclusion

Let me close by thanking Chairwoman Foxx, Ranking Member Hinojosa, and the other members of the subcommittee for the opportunity to appear before you today. I will leave copies of the reports I mentioned in my testimony with your staff and am happy to answer any questions you may have.

Endnotes

[1] National Center for Education Statistics, Digest of Education Statistics, 2015.
[2] National Center for Education Statistics, Digest of Education Statistics, 2015.
[3] U.S. Department of Education, Fiscal Year 2016 Budget Summary and Background Information, 2015.
[4] U.S. Department of Education, FY 2016 Department of Education Justifications of Appropriation Estimates to the Congress, 2016, 2015.
[5] U.S. Department of Education, FY 2016 Department of Education Justifications of Appropriation Estimates to the Congress, 2016, 2015.
[6] Sandy Baum, Higher Education Earnings Premium: Value, Variation, and Trends, Urban Institute, February 2014, available at http://www.urban.org/UploadedPDF/413033-Higher-Education-Earnings-Premium-Value-Variation-and-Trends.pdf
[7] Enrico Moretti, "Estimating the social return to higher education: evidence from longitudinal and repeated cross-sectional data," *Journal of Econometrics* 121 (2004): 175-212.
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[9] David Bergeron, Elizabeth Baylor and Antoinette Flores, "A Great Recession, a Great Retreat" (Washington: Center for American Progress, 2014), available at https://www.americanprogress.org/issues/higher-education/report/2014/10/27/99731/a-great-recession-a-great-retreat/.

Chairwoman Foxx. Thank you, Mr. Bergeron.

Mr. Bennett?

TESTIMONY OF MR. MICHAEL J. BENNETT, ASSOCIATE VICE PRESIDENT, FINANCIAL AID SERVICES, ST. PETERSBURG COLLEGE, ST. PETERSBURG, FLORIDA

Mr. BENNETT. Chairwoman Foxx, Ranking Member Adams, and members of the subcommittee, thank you for inviting me to testify. I am very proud to be here today as a financial aid professional who has spent the last 34 years in a profession that has an undying commitment to serving students and families.

The United States has the most diverse system of higher education in the world, and that is what makes it unique, enviable, and strong. However, it is this very facet that makes a one-size-fits-all model of student aid impossible. The varying types of institutions, student demographics, and reasons for pursuing a postsecondary education make it impossible to enact a simple financial aid policy.

My focus will be on the simplification of 3 areas: application process, loan repayment, and over-borrowing and loan counseling.

When we talk about the need to simplify the federal student financial aid application process we are not simply talking about the number of questions on the FAFSA, but the efficiency and experience of the entire application process. Most of us would agree that 110 questions is excessive. By eliminated questions not related to student aid and fully utilizing technology and existing federal and state systems, we could eliminate a number of the questions, making the process much easier for our neediest students.

However, we must work together to be sure there are not unintended consequences such as states and institutions being forced to develop their own forms if they don't have enough information to make their awards. The fewer data elements we collect the more homogenous everyone appears, making it impossible to differentiate those who appear needed from the truly needy.

We currently use a prior year income to determine financial aid eligibility, but a move to 2 years back—what we refer to as prior year income—has several advantages.

Under PPY, students would be able to file the FAFSA earlier than they do now and it would be based on an accurate tax return. Verification burden for both students and institutions would be dramatically reduced through an increased use of the IRS Data Retrieval Tool. Students would receive notification of financial aid packages earlier, allowing financial aid administrators to spend more time counseling students.

The secretary of education already has the authority to adjust the year of tax data used to determine federal eligibility. In this reauthorization we want to see that "may" turned into a "must."

Currently, there are eight repayment plans available to students, and I join others in recommending one plan based on income, where delinquent borrowers could be automatically enrolled, payments would be a certain percentage of discretionary income with a forgiveness term, and a standard 10-year repayment plan of which 70 percent of student/parent borrowers are already in. These

changes wouldn't eliminate loan defaults entirely, but simplifying repayment for students would certainly decrease default rates.

Currently, the Telephone Consumer Protection Act is being interpreted to prohibit student loan servicers and schools from using technology to make students aware of their repayment options via their cell phones, texts, and social media. That must change.

Most are not aware that financial aid administrators are currently prohibited from requiring additional counseling and/or limiting borrowing for federal loans. Loans are considered to be entitlement dollars, and a school is not able to require additional counseling even if their records show that the student could be in serious financial trouble.

An example: the transfer student that is able—about to borrow more than half of their undergraduate aggregate limit and has not yet completed an associate's degree or 60 credit hours. We must provide financial literacy, additional counseling, and the availability of personalized services.

Related, we urge Congress to amend the Higher Education Act to provide authority to institutions to limit annual and aggregate student loan levels to certain broad categories of non-protected classes of students to address over-borrowing. For example, many of us at low-cost institutions would want to be able to prorate loans for all part-time students.

To further address the needs of nontraditional students, accelerated learning, and to reduce student borrowing, Congress should work to make Pell Grant more flexible by allowing students to access the Pell Grant year-round and authorize a "Pell-Well," which would allow students to draw down funds as needed over 6 years of full-time equivalency.

In closing, I believe that access, simplification, and accountability can coexist in our student aid programs. As a financial aid administrator, I have felt responsibility to my country, state, trustees, and most of all, the students and families we have served since the day we opened our doors.

Let's continue to work closely, ensuring that there is training, guidance, and the very best systems, programs, and experiences for our nation's students and families.

[The testimony of Mr. Bennett follows:]

Testimony
Of
Michael Bennett
Associate Vice President
Financial Assistance Services, St Petersburg College

Presented to the
U.S. House of Representatives
Committee on Education and the Workforce
Subcommittee on Higher Education and
Workforce Training

March 17, 2015

PHONE: 202.785.0453 FAX: 202.785.1487 WEB: www.nasfaa.org
1101 CONNECTICUT AVE NW, SUITE 1100, WASHINGTON, DC 20036-4303

Opening Doors to Educational Opportunity

Chairwoman Foxx, Ranking Member Hinojosa, and members of the subcommittee:

Thank you for inviting me to testify today.

I am very proud to be here today as a financial aid professional who has spent the last 34 years in a profession that has an undying commitment to serving students and families obtaining funds for postsecondary education.

Today my remarks will focus on the simplification of federal student aid with the understanding that while we can take efforts to simplify, we will never be able to make financial aid truly simple. The United States has the most diverse system of higher education in the world, and that's what makes it unique, enviable, and strong; however, it is this very facet that makes a "one-size fits all" model impossible. The varying types of institutions, student demographics, and reasons for pursuing a postsecondary education make it impossible to enact a "simple" financial policy.

We can, however, make strides to make the process easier and more streamlined for students and families. To date, the discussion on simplification has revolved primarily around the application process. This view is far too narrow and I will share how improving federal student aid and the experiences students and families have with those programs will require a multi-faceted approach to simplification.

My focus will be on the broad view of simplification, broken down in four areas:

- Application Process
- Federal Programs
- Loan Repayment
- Over-borrowing and Loan Counseling

Application Process

When we talk about the federal student financial aid application process we are not simply talking about the number of questions on the Free Application for Federal Student Aid (FAFSA), but the *efficiency* and *experience* of the entire application process. Most of us would agree that 110 questions is excessive. By eliminating questions not related to student aid (such as the selective service question and question about drug usage) and fully utilizing technology and existing federal and state systems, we could eliminate a number of the existing questions, making the processes much easier for our neediest students.

However, we must ensure there is collaboration between the federal government, states, and institutions, to determine how we can reduce questions in a way that would not result in students having to fill out more forms or receive more funds than for which they may be eligible.

We currently use a prior year income to determine financial aid eligibility; but a move to two years back, what we refer to as "prior prior year" (PPY) income has several advantages toward application simplification. Under PPY:

- Students would be able to file the FAFSA earlier than they do now, and it would be based on a completed tax return, reducing complication that currently exists with the timing of the financial aid process and tax filing.
- With more completed, and therefore accurate, tax information, verification burden for both students and institutions would be dramatically reduced through an increased use of the IRS Data Retrieval Tool (DRT).
- This reduced burden will free up more time for financial aid administrators to spend on counseling students.
- Students would receive notification of financial aid packages earlier. This would be extremely beneficial for the neediest of students as it would allow them more time to make weigh options and make decisions.

It's important to acknowledge that under the Higher Education Opportunity Act [Sec. 473(a)(1)(C)], the Secretary of Education *already* has the authority to adjust the year of tax data used to determine federal aid eligibility in order to simplify the FAFSA process. However, this authority to move to PPY has not been used. In this reauthorization we want to see the "may" turned into a "must."

A final note on the simplification of the application process: While the increased use of the IRS data retrieval tool and potential ability to rely solely on information collected by the IRS are attractive prospects in considering simplification, I offer a word of caution about the process becoming "too simple." Yes, on the surface it would seem to make sense to move to as few questions as possible— like using adjusted gross income (AGI) and family size, as has been proposed— but such a dramatic change would have extremely damaging consequences. The most dangerous of which would be that states and institutions would need more information than those two elements and would be forced to develop their own forms. The last thing we would want is to see efforts to simplify yield a system that is ultimately more complex for students. The fewer the data elements we collect, the more homogenous everyone appears, making it impossible to differentiate those who appear needy from the truly needy.

We should stop measuring application simplification solely in terms of the numbers of data elements being used and instead think about how we minimize the effort required by students.

Simplification of Federal Student Aid Programs

Many have spoken of the merits of a one grant, one work, one loan model for the federal student aid programs. The merits of such an approach are that student financial aid could become easier for students and families to understand and in some ways, easier for financial aid administrators to administer. However, we must consider: If we eliminate the other existing programs, such as the Supplemental Educational Opportunity Grant (SEOG) and the Perkins loan program, what will that mean for students who are currently receiving and relying on these awards? Will we have a larger Pell Grant to compensate? Regardless of how many programs exist, needy students should have no less access to funds tomorrow than today, in fact, we should always be striving to achieve the opposite.

A recent proposal that has called for a single loan program simplifies annual loan limits, reduces aggregate limits, and prorates loans on actual enrollments. Where this simplification is easier for families to understand, and lower annual and aggregate limits help address over-borrowing, we must also ensure that there is a provision for increasing that limit for individual students under special circumstances. We do not want an unintended consequence of forcing families to take private loans that have fewer consumer protections because they do not have as much available to them at the federal level.

To be sure, reauthorization is a chance to look at these programs with an innovative eye, rethink things, and determine what will be best for the future. As the one grant/one loan/one work model is debated within this process, I urge you to seek input from the community on ways that we can retain the best elements of the existing campus-based programs, and ensure that our neediest students retain the same funding as they would with the campus-based programs.

I also encourage the Committee to look very closely at the demographic of recipients of the campus-based aid programs and the awards they receive, with an eye toward ensuring that under any new model those students to not lose the funding that is so crucial to their postsecondary success.

Loan Repayment
Currently, there are eight repayment plans available to students (and that doesn't include deferment or forbearance). As you can imagine, that is overwhelming to students and families—something I see on a daily basis. I join others in recommending a new repayment model that will simplify and streamline the repayment process by collapsing the various existing plans into two basic plans:

1. One plan based on income (where, for example, delinquent borrowers could be automatically enrolled after a certain number of days in delinquency if the federal government already has their income information). Similar to the current income-driven repayment programs, payments would be a certain percentage of discretionary income and have some sort of forgiveness term. This revised income-based repayment plan would also reduce the burden for borrowers to annually re-apply for the plan by capturing their initial consent on their application to allow loan servicers to reset the payment amount for all subsequent years.
2. One standard 10-year repayment plan, of which 70 percent of student\parent borrowers are already in.

These changes wouldn't eliminate loan defaults entirely, but simplifying repayment for students would certainly decrease default rates and the taxpayers' burden of having to shoulder the costs of defaulted loans.

We can also pave the way for loan servicers and schools to have an easier time making contact with borrowers. Currently, the Telephone Consumer Protection Act (TCPA) is being interpreted to prohibit student loan servicers and schools from using technology to make students aware of their repayment options via their cell phones. In addition to assisting with loan repayment, the Department of Education needs to work with the appropriate entities to ensure that modern technology can be fully utilized in the servicing process to contact students by cell phones, text and social media.

Discretion for Institutions to Limit Borrowing
College affordability and student loan debt burden are on the minds of our nation's students, families and financial aid administrators. Student loans are a valuable component of a student's financial aid package, and they help millions of students choose, attend, and graduate from the college or university of their choice. Schools, and financial aid administrators in particular, have a vested interest in helping students borrow responsibility.

However, one thing that is not widely known, is that financial aid administrators are currently prohibited from requiring additional counseling and/or limiting borrowing for federal loans. In other words, since loans are considered to be "entitlement" dollars, a school is not able to require additional counseling, beyond the required entrance and exit counseling, even if their records show them that the student could be in serious financial trouble. For example, a students who went to school 10 years ago and has an existing loan balance but is borrowing again, is not required to do entrance counseling even though there are different interest rates, and back end loan benefits/repayment options. For another example, a student who previously defaulted on their student loans or went into bankruptcy is not required to do anything extra as long as the previous loan issues are cleared. Finally, there's the transfer student that is about to borrow more than half of the undergraduate aggregate limit and has not yet completed an Associate's Degree or 60 credit hours.

We urge Congress to amend the Higher Education Act (HEA) to provide authority to institutions to limit annual and aggregate student loan levels to certain broad categories of non-protected classes to address over-borrowing. For example, many of us at low cost institutions would want to be able to pro-rate loans for all part-time students and use professional judgment to increase the loan on a case-by-case basis.

To further address the needs of nontraditional students, Congress should support flexible Pell Grants by allowing students to access grant funds year-round, and a "Pell-Well" concept, allowing students to draw down funds as needed over six years of fulltime equivalency (the current Pell semester eligibility limit) until they either complete their academic program or exhaust the funds. These important changes not only will assist working students and families who need flexibility to complete their studies, but will reduce total student borrowing by allowing more students to graduate on time or accelerate their studies.

Loan Counseling

As mentioned above, one online entrance and exit loan counseling session is not enough for some students to fully understand the realities of excessive debt and over-borrowing. I recommend that institutions have the authority to identify and provide counseling to students who may need more frequent intervention. We also must embrace at the institutional level the importance of financial literacy. And lastly and most importantly, these initiatives and simplification efforts must be paired with the availability of personalized, comprehensive financial education services to help students.

Closing

In closing, I believe that simplification, accountability, and access can co-exist in our student aid programs. As a financial aid administrator for over 30 years, I have felt a responsibility to my country, state, community, Trustees, and most of all the students and families we've served since the day we opened our doors. Let's continue to work closely together ensuring that there is training, guidance and the very best systems, programs, and experiences for our nation's students and families.

Chairwoman Foxx. Thank you very much, Mr. Bennett.

I now recognize Dr. Roe for 5 minutes.

Mr. ROE. Thank the chairman. And also, Chairman Foxx, I want to thank the members who offered me condolences and support during this very difficult time in my life and the passing of my wife last week.

Governor Daniels, I want to welcome you. And the reason I can understand you is you spent the first 6 years of your life in Blountville, Tennessee, which is about 10 miles from where I live now, and that is why you have got so much common sense. I am sure that is the reason. You have a Tennessean by birth.

Mr. DANIELS.—but we lived on the Blountville Highway.

Mr. ROE. I know exactly where you lived. We are glad to have you back today.

One of the things I want to address fairly quickly is I had the privilege of serving on two foundation boards of state colleges—Austin Peay, where I went to college; and East Tennessee State University, where I live now, in Johnson City, Tennessee. I have a huge commitment to the public education system. My father was a factory worker; my mother, who is still living, lives with me, 92 years old, was a bank teller.

I was able to go to college and medical school with a factory-working father—I lived at home, worked—and graduate with no student loan debt. I think about that today.

Now, look at the cost today, and our governor in Tennessee and our legislatures recognize, and we 100 percent agree with all your testimony, to be competitive it is going to require skills right now that we don't have in Tennessee. So he proposed the Tennessee Promise, where any student who graduates from high school can go to community college for free in our state or to technical school. And we paid for that using our lottery money.

And if you look in our state—and Governor Daniels, you are to be commended for freezing tuition. Higher education now has gotten to be outrageous.

When my wife was in the hospital I had a chance to speak—and I taught at the medical school, but I had a chance to speak to several medical students who would come by. One student had graduated with a $290,000 debt. The average graduate of the University of Tennessee has over $22,000 in debt, which is a lot less, but in professional education it is becoming impossible.

Young people making decisions about what kind of doctors they want to be not on what they want to be in their heart, but can they pay the loans back. That is very bad for the future of this country.

So we are looking to you, as the thought leaders in education, to be able to help us. And I think the state level is where it starts; I don't think it starts at the top down.

And I have jotted just a few things down. I think Dr. Keller mentioned and Governor Daniels mentioned, where regulatory costs—you mentioned the Vanderbilt study I am familiar with. If you would sort of extrapolate on that a little bit, and what would you recommend to get rid of those so we can get rid of some of those costs for you all.

Mr. Bennett, I could not agree more. I know you probably have seen students get into trouble. You mentioned several things that make absolute sense to me.

A more flexible Pell Grant, again, makes sense. It makes sense to financially counsel a 19 or 20-year-old about what debt you are taking on. I mean, you don't—when you are 19 or 20, if it is Monday, Friday is a long time. You are not thinking about ever being 30 or, heavens forbid, my age.

So I think those recommendations we need to do. By 2020, I heard the comment that 65 percent, for us to be competitive in the world, are going to need some form of education past high school. We believe that in our state, so I want to just mention those things.

And I think, Mr. Bennett, you are also recommending—Senator Alexander has done the same thing—this questionnaire with hundreds of questions, ridiculous. We need to simplify that for you and the students.

I will just stop and let you all—any one—Governor Daniels, you can start and, Dr. Keller, you can go ahead with the three things I—that you all recommended to us.

Mr. DANIELS. Well, amen to all that, Congressman. And I will simply say that the—we can make a difference here.

Debt among Purdue students is down 18 percent, which translates to $40 million. That is our undergraduate—current undergraduate population in the last couple years.

Some of that is because the cost was contained, but a lot of that is because of counseling of the kind Mr. Bennett and others have spoken to here. It is awfully important, and being reminded that there are actually constraints on these very important conversations certainly points us to one important lever we have for short-term improvement in the burden that these—too many of these young people do leave with.

The FAFSA, which I have taken to carrying around because people don't believe it when you talk to them about it, to show them. My suggestion about the FAFSA is not to start by asking, "What can we prune?" but ask the question, "What must we have?" If there are 110 now—I know there are at least two questions there we have to have, but I am not sure how many more than that there are, and it is very, very encouraging to hear members of both sides speaking as consistently as you have about these questions and others.

Mr. ROE. Thank you. I yield back.

Chairwoman Foxx. The gentleman's time is expired.

I now recognize the ranking member of the full committee, Mr. Scott?

Mr. SCOTT. Thank you. Thank you, Madam Chair.

And I would like to ask Mr. Bergeron the first question, and that is the Pell Grants, as I understand it, many years ago paid about 85 percent of the cost of attending a state college; now it is under a third. And further, no Pell—no summer Pells. Can you tell me the consequences to the low-income college-going rate with the trend in Pell Grants?

Mr. BERGERON. So, thank you, Congressman Scott.

You know, when we look at what happens to low-income students attending our public colleges, today, as a result of the Pell Grant not keeping up with the cost, there is a gap of about $7,000 in their aid budget that they need to fill. And often our low-income and middle-income students really don't have the ability to do that. They can't go out and find jobs to fill that gap.

And so in the last several years, as we have seen college costs at public institutions increase as states have disinvested, we see the great progress we have made in getting more of our low and middle-income students to go into college beginning to slow. And so that is a troubling trend, given the data we see that suggests that more and more of our jobs are going to require some college education.

And so we need to find a way to address that growing gap. Summer Pell, two Pells in an award year, is a way to begin to address that problem by encouraging our students to accelerate, but we honestly need to do a lot more for our low-income students if we expect them to go into college.

Mr. SCOTT. Can you say a word about the importance of the TRIO programs, especially Upward Bound?

Mr. BERGERON. So I have to say this with a little bit of care. My wife has worked with the Federal TRIO programs for many years at the U.S. Department of Education, where we met—

Mr. SCOTT. Well, since we are doing full disclosure, when I was in college I was an Upward Bound counselor.

Mr. BERGERON. You know, yes, I have to say that programs like Federal TRIO, particularly Upward Bound, have made a huge difference. The most significant impact I see in the Upward Bound program is the pushing our low and middle-income—low-income, first-generation students to immediately enroll in a 4-year college. When they get to a 4-year college they are much more likely to complete that 4-year experience and walk out the door with a degree with a minimal amount of debt because they are in institutions that are committed to their success.

And so I think programs like TRIO are critically important.

Mr. SCOTT. Thank you.

President Daniels, there has been some suggestion that cost of college has only gone up with inflation but the price that people have to pay has skyrocketed because the states are paying less of the total cost of the education. Can you make a—can you comment on that?

Mr. DANIELS. Well, first of all, all the data I have ever seen shows that the cost of college has risen much, much faster than the cost of inflation. In fact, the only two items in the—in most indices that have risen faster than the cost of health care, which we are all very cognizant, are college tuition and college room and board.

And a lot of factors have been driving that. The so-called amenities arms race. Colleges don't look like they did 20 or even 10 years ago.

There has clearly been, however, as we discussed here, some upward cost pressure generated by the need to comply with federal rules that are complex, that are often redundant, and in many cases, on the receiving end, appear unnecessary. So, you know,

there—a lot of criticism, I think rightfully, has been directed at the increase in administrative costs on campuses. I think it doesn't—

Mr. SCOTT. Several decades ago, it is my understanding that states were paying about two-thirds of the cost of the public education; now it is down to about one-third.

Mr. DANIELS. Yes—

Mr. SCOTT. That would account for about—

Mr. DANIELS. And that has been a—

Mr. SCOTT.—doubling the cost—

Mr. DANIELS.—depending on the states. You know, the state I come from was third in the nation in maintaining its support for higher ed, but there are many other states where drastic cuts have occurred.

I will say that, given the rising cost of tuition and other fees, it would have been very hard to keep up, in many states, to keep up with the per-student increase.

Mr. SCOTT. Thank you.

Mr. DANIELS. Not excusing or defending—

Mr. SCOTT. Well, if they are down to one-third and were paying two-thirds, that would, by itself, with no other increase, account for a doubling of the price of college.

Mr. DANIELS. If that were the only factor that would be true, but it is only one among many. And I think the responsibility for the difficulty students are having now has to be shared.

Mr. SCOTT. Thank you, Madam Chair.

Chairwoman Foxx. Thank you.

Mr. Guthrie, you are recognized for 5 minutes.

Mr. GUTHRIE. Thank you, Madam Chair.

It is interesting, I had some students in my office yesterday. The student government associations from the ACC schools are in town, and I have an ACC school, Louisville, in my state, and so I met with them yesterday and they came about costs of college. I have two kids in college and one on the way, so cost of college is something that myself and the parents I am around, because I am around parents my kids' age, talk about quite a bit.

And, you know, I know that the president talked about in the State of the Union, which was mentioned about making college—or community college free for the first 2 years, and he mentioned Tennessee. Well, Tennessee made choices. They made choices to use lottery revenues that they made.

And also the president I think was going to change the 529s, which I will tell you there are a lot of people that incomes are too high to get a lot of financial help but not high enough to write $50,000 checks on an annual basis just out of income that need savings programs. So, you know, you are doing—states make choices.

Kentucky chose to do their lottery money through scholarship to students; Georgia, the HOPE Scholarship, which was trying to make 4-year college free. I think they have had to walk back on some of that. I don't know the details of it directly.

But it gets to what Mr. Scott was saying, that states make choices. And, you know, Kentucky chose to expand Medicaid, and Medicaid that will have substantial impact on this year's budget

because of what we think is a significant woodwork effect. It is not 100 percent to 2 or 3 years in the future; it is real money now.

I was in state government. Our first budget in 2000—first budget I was there in 2000 the biennium 2-year budget was $13 billion almost. Last year it was almost $19 billion. So we have gone up a little over—almost $6 billion and cut colleges.

And then the students' number one want to know what the federal government is going to do for affordability of college, and we all need to be in it together because it is expensive. But you can't have states making those kind of decisions, choosing to spend state tax dollars elsewhere and then rely on the federal taxpayer to come in and solve it all.

And it seems like we always look just a little north of the river, when you were governor, and now that my colleague, Mike Pence, is governor. So my question is, you said your room and board is down 10 percent and you have frozen tuition, you are investing, debt is down 40 percent, and from your experience as—from your state experience and now, how has the state budget interacted, how have you been able to do that when most schools across the country—so if one school can do it, why can't others?

Mr. DANIELS. Well, our university, again, is more fortunate than some, because state support, which it dipped slightly 1 year during the recession, has otherwise risen modestly and, compared to other states, has held up better than most. But I think you put your finger on the problem.

I am referring back to my last job, really, here, but one reason in Indiana, for instance, education is a larger share of the state budget than in any other state in the union—about two-thirds of the entire state budget. More than 50 percent to K–12 and about 12 or 13 percent to higher ed, last I looked.

And the only reason that is possible is because choices were made. The Medicaid program did not explode and eat the rest of the budget, as it often has. Corrections have been carefully managed. And so it has left a little more room.

But that has not prevented tuitions from rising very, very swiftly—faster than inflation. And I know it is driven in many cases by competitive pressures, trying to attract a different kind of student today. I know it is driven, as we have talked about here, in large part—one study has shown that a third of the increase in administrative jobs is related to federal compliance and—federal and state compliance, I should add, plays some role there.

So a mix of factors, but I think that even as we are here asking that the committee and the Congress seize this opportunity to modernize the law, I think those of us in higher ed have to accept a significant amount of the responsibility to modernize our own practices.

Mr. GUTHRIE. Well, thank you. Did you have substantial—and universities in Kentucky have done a—not the University of Kentucky alone, universities in Kentucky have done a substantial job in raising outside resources, as well, which is something that I don't think we did 20 to 30 years ago, focused on, at state universities, anyway, is raising financial outside contributions, so it is good.

You also said if we—the $20 billion rules could—$20 billion worth of rules could educate 20,000 Hoosier students, I guess some Boilermakers, too?

Mr. DANIELS. Well, that is right.

Mr. GUTHRIE. I know you are using that generic for Indianans, right?

Mr. DANIELS. Well, yes, I meant—what I really meant was that at our in-state tuition is different than our out-state tuition. Our in-state tuition is just south of $10,000, so that is where I get a figure like 20,000 of our—

Mr. GUTHRIE. I think all of you and all of us want to make college more affordable in whatever role we have, but it is particularly at the state level, we need to make sure that our state policymakers don't just look to us to bail out students.

Thank you.

Chairwoman Foxx. Thank you.

Congresswoman Adams?

Ms. ADAMS. Thank you very much.

Mr. Bergeron, you talked a bit about the important role HBCUs play in our higher education system. From my experience I know that those schools are well-equipped to support the unique needs of their students, and so as we look toward reauthorizing the Higher Education Act, I believe that we have to be more thoughtful about how we measure the success of these institutions.

Research shows us that HBCU graduation rates compare favorably with other institutions when student level factors are taken into consideration. But our current success measures do not make special consideration of colleges and universities who primarily serve low-income, first-generation students who may not otherwise have attended a 4-year institution.

So I wonder if you could share your thoughts on how we should account for the differences in student populations when we determine the success of our institutions of higher education and what we can do to highlight the successes that are taking place at HBCUs.

Mr. BERGERON. So, thank you, Congresswoman Adams.

I think one of the things that is really important for me is that historically black colleges enroll about 375,000 of our undergraduates today. That is an impressive number for that sector when you think about the relative size of those institutions. They tend to be smaller; they tend to be more of learning communities that support the best success of their students.

And so one of the things that we know about them is that they are very intensive institutions, in terms of the education they provide. That is one of the reasons that they are successful.

But they are institutions that enroll students who come from low-income and from disadvantaged backgrounds, and—who need extra support. And so the institutions are structured that way.

You know, when I wrote about what does value look like in higher education about a year ago, one of the things I said there is that we need to give special consideration, special focus on institutions that provide access and are affordable, and that is exactly the type of institution that I am talking about. And we should assess them in relationship to other institutions that are like them. We

shouldn't judge them against institutions that are well—that have tremendous resources and which enroll students who are less disadvantaged and less well-prepared.

And so I have argued for assessing them within categories that are similar and serve similar types of students. My colleagues at the American Public Land-Grant University Association have been arguing for an input-adjusted metric. I am not vehemently opposed to such a metric. It troubles me a bit.

We talk about it quite often. They are just my next door neighbors over on H Street, and so we have great opportunities to chat about this. But we do need to do something to take that into consideration, to make those comparable across different types of institutions and—

Ms. ADAMS. Thank you very much. I was one of those students, so I appreciate your comments.

Mr. Bennett, I want to ask you a question about Parent PLUS loans, because they are an important part of our financial aid package for many of our students. Now, according to UNCF, United Negro College Fund, since 2011 HBCUs have lost over $155 million in federal support due to the restrictions on Parent PLUS loans, which I think now are a minus.

But when the problem first surfaced in 2012, initially 400,000 students across the country, including 28,000 at HBCUs, were rejected for these Parent PLUS loans that they had received in previous years. Parents should not take out excessive debt, but these loans have a low default rate compared to Stafford Loans, and the government really recoups almost all that they put in.

In light of these factors, what do you believe we should do about it? Should we return to the pre-2011 Parent PLUS borrowing requirements that might help students? What are your thoughts?

Mr. BENNETT. I think you explained it very well, that when those borrowing requirements changed a lot of people lost access to those loans. So at our institution we are relatively low-cost, so we do not do a large number of PLUS Loans. I wouldn't want to give the wrong information; I don't know if someone else could help me out on this.

Ms. ADAMS. Do we have a second for someone else—Mr. Bergeron?

Mr. BERGERON. So I was involved in Parent PLUS when I was at the department and very aware of the disruption that occurred. You know, the concern we have to have is that we don't want parents to take on excessive debt, and so we need to be looking not just at their, you know, their credit history, but their ability to repay the amounts of money that they are borrowing and treat it much more like a traditional credit program.

That, I think, would go a long way to address your concern.

Ms. ADAMS. Thank you. I am out of time.

Thank you, Madam Chair.

Chairwoman Foxx. Thank you.

Ms. Stefanik, you are recognized for 5 minutes?

Ms. STEFANIK. Thank you, Chairwoman Foxx.

Thank you, to the panelists who are here today.

This issue is near and dear to my heart for the obvious reasons. I think I have a few decades closer to college than some of my colleagues here.

So I wanted to start off—that is not—wisdom. You have wisdom. I have innovation.

I wanted to ask Governor Daniels about your efforts and your record of being able to freeze tuition by rethinking your budget. Can you describe some of the specific tactics that Purdue has employed to reduce costs and maintain that tuition freeze? And the follow up is, can those tactics be applied to other higher education institutions?

Mr. DANIELS. Well, we don't claim, first of all, to have done anything really dramatic yet. We think we have a lot more work ahead of us.

But just to give you a few examples, many institutions—and ours is typical in this respect—have been very I would say balkanized, or the people say stovepiped. There are a whole lot of things being done in multiple places that can be done in one.

A great example with a lot of zeroes attached is information technology, and as we consolidated and centralized that we not only saved a lot of money but we believe we are providing better service than ever, higher quality. No one had looked at our health care plan for a long time, and we were able to modernize that in a way that has reduced premiums for the vast majority of our faculty and staff, but also by introducing consumerism into the plan, has shown some above-projection savings so far in reducing utilization.

But, you know, what I would say is that certainly on a campus like ours—let me just make this point. We are a land-grant university, proud member of the APLU.

And we were put there by a predecessor Congress for two reasons. One was to teach the tools of a growing economy to more citizens; but the main goal was to throw open the gates of higher education beyond the wealthy, beyond the elites and the privileged. And we still feel that responsibility very acutely.

And across our campus when we said, "Let's try something different. Let's try to break from this pattern of annual increases and see how we can manage," we go tremendous buy-in. We opened hotlines and hundreds of staff suggested ideas large and small. Many people voluntarily decided to forego a pay increase.

And so we have had, I think, a good collegial spirit about this. It is part of the ethic of who we are.

But I would not over-claim at this point. We have managed some progress, but we are still not an inexpensive school to go to. We still worry about students—making sure that students at any income level who can meet our standards can come to Purdue.

Ms. STEFANIK. I think there are a number of lessons that are learned from what you have been able to do even though it is a tuition freeze and we are not completely grasping the long-term challenges of college affordability. It is a model for other higher ed institutions across the country.

And if I have a few more—do I have time for a follow up?

Okay.

I wanted to ask you about your flip-the-classroom efforts. And to me, that is a tool of a growing economy in rethinking how we deliver education. Can you expand on that?

Mr. DANIELS. Sure. We didn't innovate it, but we are trying to apply it as fast as we can and have been recognized for this.

We are talking here about—it is really a spectrum of changes, but you used the term that we are—people do use, the "flipped classroom," meaning that in one form the student will no longer attend lectures with hundreds of students all hearing the same things at the same time; that lecture will be available electronically to be viewed at a time and place that the student chooses, to be viewed over and over again if it didn't—wasn't understood the first time. Then the classroom time is spent testing understanding or perhaps working on projects to see if that learning can be applied.

And we have data at Purdue, because we have done this in more courses than most places, that says it does work. We have data that says students warm to the learning experience more than the traditional mode.

However, just to make this point, it is not—it is probably not less expensive to do. For instance, the square footage you need per student to operate this mode, as opposed to 400 people in one giant lecture hall, is greater.

So it can be in tension with our affordability goals, but so be it. The real goal—we always say at Purdue, "Higher education at the highest proven value," and the quality of the education is the numerator; cost, which we do pay a lot of attention to, is just half of that equation.

Ms. STEFANIK. Thank you very much.

I yield back.

Chairwoman Foxx. Thank you.

Mr. Courtney, you are recognized.

Mr. COURTNEY. Thank you, Madam Chairman.

And again, it is nice to see actually a group of witnesses from diverse backgrounds where there is some overlap, in terms of just the ideas that are being put forward, and that provides, I think, the committee with a lot of good, you know, foundation for hopefully a bill that is going to move forward this year. It is a couple years late and it is time to move.

And, you know, FAFSA reform, financial counseling and education, year-round Pell Grants, again, that has been a recurring theme here today, and I want to thank all the witnesses for doing that.

You know, one of the issues that I think Dr. Roe mentioned, or problems, and it is—we all hear it up here, and you do even more so, is the horror stories of high debt upon graduation—$290,000. What I think is frankly even more horrifying is when people are graduating with high debt and what you would I think almost call junk degrees, because the, you know, ability to convert that into gainful employment in many instances makes it just a trap that is going to be for a lifetime.

And, you know, when we talk about the Department of Education's Title 4 budget, which is about $150 billion a year, you know, we have got to come up with some systems here to make sure that at the front end of the system, when people are making

decisions, that they understand, you know, what is going to be there at the end of the process. And, you know, I realize that there—this is a tricky business, you know, it is a very diverse system of higher education. Connecticut, just like all the other states, has, again, you know, an outstanding array and can't all be judged with a one-size-fits-all.

But, you know, Mr. Bergeron, I mean, at some point this has got to be provided for kids, you know, when they are making a life decision that is the equivalent of buying a house if not more. And I just wonder if you could sort of, you know, respond to that.

Mr. BERGERON. I think you are absolutely right. We are calling on our young people to make very complex decisions with very limited information about what is going to happen in the future, and it is really tough.

My daughter graduated last May from Tulane University, and, you know, she was very fortunate. As I mentioned, my wife works for the Department of Education; I worked there for many years. I know more about higher education than most people in the country, and it was hard to guide her in her choice, especially because we don't know a lot about what happens to students after they graduate—what are their earnings outcomes, you know, what is their success transferring to—going on to graduate school, medical school.

And so we have got to develop the kinds of information, the kinds of data systems that support our understanding of those transitions, and to understand what happens afterwards, in terms of their entry into the world of work.

When I was at the department I worked on gainful employment regulations—very controversial issue, something that has caused a lot of dissent around the country. But what we were trying to get at there, and what I think is critically important, is that we understand what the earnings are for our graduates. At a program level, at an institution level, we need to know that for profit colleges, the issue of—that we were dealing with then; but we need to know it more broadly so that students can make better-informed decisions.

Mr. COURTNEY. And I just think it is something that, you know, my experience with the land-grant college in Connecticut, University of Connecticut, which sadly didn't make it to the playoffs this year, the big dance, but, you know, they embraced the notion that they are going to be held accountable. And again, with the amount of money that is coming out of the U.S. Department of Education—and frankly, I think that is not an unreasonable requirement to put into place.

The last thing I just want to sort of touch on is, again, Governor Daniels, your comments on page two regarding the sort of economic fallout of the high debt that 20, 30, and frankly, even older Americans are carrying is, again, a bigger issue even than their own predicament; it is hindering economic growth in this country.

And that is why, frankly, I think we—I was looking at this morning's 10-year treasury notes are 2.13 percent; 30-year mortgages, 3.86 percent. There are a lot of people carrying even Stafford Loans at 6 and 8, you know, in terms of the PLUS, and we have got to come up with a system to refinance down.

That is how we get through, you know, economic downturns in the, in terms of allowing middle-class families to refinance their houses. We have got to have a mechanism to bring down for all individuals, not just those covered by income-based repayment.

And I just want to, again, be on record. We are going to be introducing a bill in a few days, which is going to basically allow that process to happen for both public and private student loans out there, which, again, I think will benefit the entire economy.

And I was just reminded by my good friend from Colorado that the UConn women Huskies, however, will make sure our state is well-represented, and he just saved me from getting into a lot of trouble. So did my ranking member, who is watching my back.

I yield back.

[Laughter.]

Chairwoman Foxx. I won't touch that—

[Laughter.]

Mr. Messer, you are recognized for 5 minutes.

Mr. MESSER. Well, thank you, to the panel.

And I think this is such an important conversation. You know, for most of the last several decades, from a federal policy perspective—and much longer, as the governor mentioned, from the—dating back to the beginnings of the land-grant institutions, our federal policy has focused on student access to higher education and not necessarily being very focused on student success.

And, you know, for most of the last several decades that was okay because having some college meant that you were better off than no college at all, and every actuarial table that looked at it showed that. And that has changed now.

In today's economy if you don't have a degree in a value-added subject matter that contributes to the economy you are not better off economically, and you could be worse off, if you are saddled with tens of thousands of dollars of student debt. And so I think we have to focus on not just access, which is important, but in delivering success for the students that are accessing the system.

And from my days working with now President Daniels and former Governor Daniels, one of the keys, I believe, to that is metrics, measuring. You get what you measure in life.

And so I was hoping that the governor could talk a little bit about the Gallup-Purdue Index and how it measures student success, exciting innovation, could you talk about that a little?

Mr. DANIELS. We agree strongly with the point that Mr. Bergeron made and others have made that—and when I talked about higher education at the highest proven value, the point is that until fairly recently people were not studying or quantifying the outputs. Oh, we looked to see that college—we saw that college graduates tended to earn more money and so forth, but we didn't know much more than that.

And yes, we started out at Purdue simply looking for a way to measure more accurately the success of our graduates, which we suspect was high but couldn't prove, and wound up in a project with Gallup, which led to the largest benchmark survey ever taken of college graduates, and there are a lot of interesting things we can all learn and will continue to learn from that—the idea then

being that schools that wanted to, like ours, could go out and parallel, contemporaneously, measure their own graduates.

We were delighted to see that in every measure of well-being—it is not limited to financial—that Boilermakers were doing even better than the average college graduate. So thank you for leading the witness.

But I will just say one other thing before switching off, that we pay a lot of attention to the metric of default rates because, as various members of the panel have said, the first question is how much is being borrowed; but the final question is, can the borrower successfully manage that financially in their life? And that goes a lot to the quality of the education and maybe the nature of the degree they got. And so that is the one we pay the most attention to.

And the last point, I am sure well known to people here, but if you graduate from our school—you graduate from our school you have almost a 0 percent chance of defaulting; it is down around 1 percent now. The problem that we have to watch is those who came to our school, as you were talking about Congressman, and did not finish. That is where a higher rate of default is, and that is where I think some of these real lifetime hardships are being experienced.

Mr. MESSER. And, Governor, could you talk a little bit too—one of the ways to tackle student debt is in constructing programs where students don't graduate in 5 years or 6 years, but potentially even in 3 years.

Mr. DANIELS. The reason we are so interested in 3-year degrees is that not only can a student move through more quickly and affordably, but don't underestimate the importance of one extra year in the workforce, earning money and compounding over a lifetime. It is a material factor, too.

So yes, any changes that take obstacles out of the way or facilitate that, most welcome.

Mr. MESSER. Great.

I want to take a minute and ask—talk to Dr. Keller. I don't have—not much time with the yellow light, but could you talk a little bit about—from, you know, your testimony you mentioned federal transparency efforts, trying to get better information to student consumers and how it can be so complex now it is difficult for students to wade through it.

Ms. KELLER. Yes. I would say that we do need to take the time to think about what is out there and really what metrics are really important, and we have mentioned several of them today—success in progress, earnings after graduation, employment, enrollment in graduate school, amounts of debt. So let's find out what those really important metrics are and take the time and effort to have those and deliver them to students when they need them rather than just putting them on a Web site and hoping that some will come and see them.

Mr. MESSER. Yes. Thank you.

Chairwoman Foxx. Thank you.

Mr. DeSaulnier?

Mr. DESAULNIER. Thank you, Madam Chair. Nice job on the pronunciation.

And I just want to thank all my colleagues and the witnesses. It is wonderful to be here, and this tone of a debate about something that is so important.

So I have a couple questions, and I want to start, first of all, by saying as a member who is further removed from my memories of college than some of my colleagues, but having spent the weekend talking to my two sons, I guess that brings a more vivid perspective in another way. And I want to talk a little bit about not just the cost but the opportunities when people get out of college right now for a bachelor's degree, having spent 45 minutes with one of my sons yesterday as he is looking for work 5 years removed from college.

So first of all, the urgency, I think just the numbers are staggering, that around 37 million student loan borrowers with outstanding student loans in 2013; that $1.2 trillion with over 7 million debtors in default in 2014 student loan debt; the biggest growth in the program came in the past decade, as student debt rose an average of 14 percent a year, to $966 billion in 2012 from $364 billion in 2004; that as of the first quarter in 2012 the average student loan balance for all age groups was almost $25,000; and that student loan debt is growing by $3 per second right now in this country. So the urgency of what we have in front of us and the cooperative spirit I am hearing in terms of the importance of doing something that creates more flexibility and more opportunity.

Mr. Bergeron, I—in my lifetime I have been fortunate enough to own and manage businesses in both Palo Alto and Berkeley, coming from Northern California, and it always struck me doing that is the interconnectivity between the economy on a retail level, that the governor has talked about, and higher education.

So it strikes me we have the idea of introducing a bill that would actually tie the prime rate to student loans, so I wonder if you have any comments about your idea of "college for all," if that would be helpful.

Mr. BERGERON. When we think about student loan debt and its impact on the economy, you know, the ability of people to—who have student loans to buy houses, buy cars, start new businesses, which is a critical driver of our economy, you begin to realize that it is really important that we stem the increase. So first of all, we need to find ways to reduce the cost of higher education, the kinds of things that we have been talking about, to slow that.

But then we also have to deal with that $1.2 trillion, $1.3 trillion in student loan debt outstanding. So the kinds of things we need to be thinking about are, you know, trying to figure out strategies to refinance that debt, lower the interest rate on that debt so that it is more manageable for students and families.

Really important that we find ways to provide for greater range of repayment options even in the private loan programs. Things like income-based repayment that exist within the federal student loan system really don't exist within the private student loan market, and a lot of the concerns with the really high loan balances are people with a mix of federal and private loans, so we need to address that.

And then to your point, we need to really think seriously about what to do about interest rates. When you use income-based repay-

ment plans you—each borrower ultimately gets a personalized interest rate that they can then figure out when graduate when they last pay off that loan.

But it is really, you know, frightening to people to see that balance grow month to month, and so we really have to slow that increase by doing something about interest rates. Clearly the federal government can borrow at very low rates. Somebody mentioned the T-bill rate at 2.1, and there is no reason for us to be charging borrowers so much more than that in today's economy. We need to really bring that down.

Mr. DESAULNIER. And then just a second general comment, if I could start with the governor.

So we have meetings in my district with both students who go to a private school in the district of St. Mary's of California and go to the University of California, Berkeley, that is just outside of the district. The two telling things is all these kids do the right thing.

In 2008 I remember these compelling stories about, "I got a 4.0 in high school; I did extracurriculars. I always thought I would have a place in school. Without a Pell Grant or a Cal Grant I would not be able to be here. One of my parents lost their job in the recession."

So there is that part, and then the second part is the issue that I was dealing with my son is you get out of college and, unlike our generation, the likelihood of making a livable wage is pretty removed.

So, Governor, just briefly, if you could respond to those two things?

Mr. DANIELS. Well, I don't know what to add, really, to what has been said. I think that the—it should trouble us all that—for a variety of reasons, and I think that the one we are here—gathered about here today is a big one, but not nearly the entire story.

We do have a mismatch in the country, and the structural changes in the economy seem to me to be widening it, between the jobs the economy is calling for and the—at least in numbers that it would take to maintain a large middle class.

And, you know, our answer, as just one institution, has been—we are making strategic investments. We are already one of the most STEM-centric, so to say, universities in the country, up there in a category with some of your great schools in your state. We are investing more heavily in that. We think it is consistent with our land-grant assignment originally—in the antique language, agriculture and the mechanic arts.

Chairwoman Foxx. Governor?

Mr. DANIELS. The mechanic arts have come a long way, but this is really where the economy, we think, is based these days.

We are making a lot of investments in—to get larger there and to train more people—

Chairwoman Foxx. Governor?

Mr. DANIELS.—from our state or elsewhere. That is our contribution and we know it is only a partial answer.

Chairwoman Foxx. Thank you.

Mr. Allen?

Mr. ALLEN. Thank you, Ms. Chairman.

And I come from the 12th District of Georgia and we have got some very fine higher education institutions there. Very proud of those folks that they serve.

I have been in the business world all of my life, and what intrigues me is—well, I—really two things. One is the fact Dr. Brooks Keel, at Georgia Southern University, testified before this committee last year about worker readiness, and for the—you know, for the 21st century.

But what I did when I went to school—and of course, you know, every mom and dad has told their children this story—well, I worked my way through college. Is that out of style now? I mean, one of the things that we looked at when we hire people is work experience, and really, it is more real-world work experience.

For example, I worked in a steel fabricating facility as a welder, and, frankly, was well paid for that and was able to work two shifts, and I loved to work. And it, of course, taught you the value of hard work, made you study hard, and all that kind of stuff.

But, you know, I hear about these student loans and the massive debt that we are building here, and then I also hear about these statistics of young people who are either unemployed or underemployed and really, at this stage, don't really know what they want to do.

I was fortunate in that work placed me a position that I said, "Hey, this is my sweet spot; this is what I want to do," and was able, then, to go on and get an education and into—start a business.

So is there any possibility that we are going about this thing the wrong way? In other words, should we promote—I know I looked at co-oping at one time because I wanted to get as much work experience. And I will tell you, when we look at resumes of college graduates, that work experience counts a lot when we are going to hire a new graduate.

So, Governor, would you care to comment on that?

Mr. DANIELS. Thanks. Well, first of all, I—high percentages of our students are working while they are in school; I don't think we are unusual in that respect.

Second, while the co-op type experience has a long history at Purdue, it lends itself, I think, especially well to a school like ours, but we are acting to expand it as rapidly as we can. And you are quite correct—back to this Gallup-Purdue Index, one of the most—clearest findings was that those college graduates who had some such work experience—internship if not a full co-op type experience—while in school were doing substantially better than those who had not had that opportunity.

So we know it works, and we are working hard to expand it. We have a number of companies that you have all heard of locating facilities on our around our campus and hiring our students to do real work, paying them rather well—better than we can to work in our cafeterias. But we can't do enough of this fast enough.

Now, I will say that the run-up in costs—college costs—has probably outstripped the ability of most students, no matter what kind of job they are able to secure, to defray as much of their college cost as you did or I did or people earlier on were able to do.

Mr. ALLEN. As far as the business community, is there—do we have the business community plugged into our colleges the way they should be plugged into the colleges?

Dr. Keller, or any member of the panel who would like to take that question?

Ms. KELLER. I know that one strong focus of a part of APLU is exactly that, is to provide a forum and an opportunity for our presidents to meet with the presidents of business, because that helps on several different fronts.

One is back to the workforce readiness. What are the skills that employers need and how do you find that out? By having conversations with people. Also, finding out ideas about affordability and processes and new models that we can take to the businesses.

So definitely. That is a very strong priority for us at APLU.

Mr. ALLEN. Any other comments?

Mr. BENNETT. We have 10 campuses throughout our county and work very closely with business—

Mr. ALLEN. Okay.

Mr. BENNETT.—identifying their need and looking short-term programs to get our students through and working.

Mr. ALLEN. Because there are needs out there, and I believe my time is up, Ms. Chairman.

Chairwoman Foxx. Your time is up.

Mr. Polis, you are recognized.

Mr. POLIS. Thank you, Madam Chair.

This first question is for Mr. Daniels.

Western Governors University has a strong presence in Indiana, strong presence in my State of Colorado as well. And as you know, Western Governors operates on a different model from many other universities, a model that includes competency-based education, where students advance based on how much they know, not how much time they spend in a classroom.

I would like you to address your own experience with Western Governors as well as how competency-based education can reduce costs and improve the quality of curricular delivery.

Mr. DANIELS. Yes. Thank you, Congressman. I was drawn into WGU initially as a board member, became very much an admirer of its system, and particularly the niche it fills.

We brought it to Indiana. I would call it a private label operation, called it WGU Indiana, and it grew very rapidly, and I know for a period of time represented something like a third of all the growth in the entire WGU system.

Why? Because it really addressed an unmet need. The average student is 36 years old, more likely to be female and minority than the rest of our population, juggling family and work and other things, and able to study at his or her own rate, and with proven success, including measurement of post-graduation employment and how well they are doing.

So I was proud of that association and have watched their continued growth and really with interest, and it really was where I was first exposed to the—both the advantages and the efficacy of competency-based education, which we are now trying to introduce in a more traditional context of Purdue.

Mr. POLIS. And I want to go to Mr. Bergeron with regard to that.

If you could talk about how we can learn from Western Governors and how competency-based education could work for other universities to help reduce costs?

Mr. BERGERON. Thank you, Congressman.

So competency-based is a really—a dramatic game-changer innovation, in my view, in higher education. You know, the adoption by Purdue and the University of Southern New Hampshire and so many other institutions of that approach really is critical.

And as we go forward and think about reauthorizing the Higher Education Act we really need to think about ways to move the conversation from the one where we have been stuck at, which is around what does the credit hour mean, to really what do we really expect our students to know and to be able to do when they graduate, and find ways to measure that as they progress.

And if we can do that and effectively refocus our financial aid system on that, I think we will have a much more productive higher education system, and students, candidly, coming out with a lot less debt because they haven't wasted time studying things that aren't really helpful to their long-term goals and to their long-term development.

Mr. POLIS. Another cost-reducing innovation are open textbooks. As we have heard, not only do college costs continue to rise, but so do textbook costs. After somehow coming up with the tuition, all of a sudden a student is hit with another $500 or $800 a semester to pay for textbooks.

I want to address this first to Mr. Bergeron and then anybody else, how we could look at a policy that encourages open textbooks, where textbooks are openly licensed and free to students and faculty, and how that might help save money for students as well.

Mr. BERGERON. So one of the things that exists in the federal aid system is the—this notion of cost of attendance, which includes books and supplies and other expenses. But that is on the student budget side.

You know, we could think about changing the priorities so that, you know, it is more embedded in what institutions receive, in terms of payments, so that they are not passing those costs on to students, as consumers. I think that would dramatically change the economics of the textbook industry in a positive way in making textbooks more affordable to all students.

Mr. POLIS. It is fair to point out that the beneficiaries of the current economics of textbooks are not the people who write those textbooks, and in many cases, any compensation is nominal if it exists at all. And there would be, I think, widespread cooperation among those who write textbooks to do so in an open source manner, which can equally enhance their prestige just as a proprietary textbook can.

And I want to encourage the committee to look at additional ways that we can encourage open source textbooks to reduce the cost of textbooks in higher education.

And I yield back.

Chairwoman Foxx. Thank you so much.

Mr. Curbelo?

Mr. CURBELO. Thank you very much, Madam Chairman.

Governor Daniels, thank you for your testimony, and I thank all the other witnesses, as well.

I am a major proponent of accountability in education. I have been a witness to the positive effects of the modern day accountability and education reform movement as a school board member in Miami-Dade County, where I served for 4 years. In fact, I credit the modern day education reform movement with saving our public schools from mediocrity and, in some cases, failure.

I have been following your proposal and your project at Purdue to implement the Collegiate Learning Assessment Plus, and I wanted to get your thoughts on that, because I have shared this concept with some friends in higher education. Some have been open to it; others say that a standardized test for higher ed is going to result in standardized colleges and universities; and some other criticisms are that each university is unique and offers a unique product, and that this type of accountability would, in fact, degrade the purpose of a college education.

So I was looking forward to getting some of your thoughts on that.

Mr. DANIELS. Just as we thought that one aspect of proving the value of our educational product was to measure more rigorously the success of our graduates' year 5 and 10 and more years out, we also believe that the second aspect of that is to measure the growth on campus—intellectual growth of students while on our campus. This is not new, and in this respect, we are following the lead of many other colleges who are working on it.

It is not simple. There will be no perfect instrument. But over and over, I think, across the spectrum of education we have seen people resist accountability suggestions on the basis that they are not ideal and they are not perfect, and so we can't let it be the enemy of the good.

I don't know if the CLA Plus is the best single instrument out there at the moment. It only purports, of course, to measure overall critical learning, not any specific disciplinary progress that a student may have made. So it ought not lead to any homogenization. There is no reason for that. I don't know how it could be used to do that.

But we are working with faculty experts at our campus. We are going to move forward, I do believe, in measuring student growth. It may well include, at least as a first project, the use of that instrument, but we will be looking at all ways in which we should do it.

We simply embrace the responsibility to demonstrate that for this still expensive cost, a student really progresses at our school and leaves much better prepared for life and citizenship than they would otherwise have been.

Everything we know about Boilermakers tells us that. Gallup-Purdue told us part of that, and now we accept the responsibility to find some way to say the same thing about the on-campus years.

Mr. CURBELO. As you pointed out in your testimony, a lot of young people are increasingly asking the question: What is the true value of a college degree? What is the purpose of going to college?

Do you think that, as policymakers, encouraging the use of these types of instruments can help answer that question for young peo-

ple—what can you get out of a 2-year degree, out of a 4-year degree? How will it help you become more qualified for the jobs and the opportunities of this century?

Mr. DANIELS. I do. I think it is a legitimate question for people to ask. It may be that not every institution everywhere can produce the proof, but I think it is fair to ask that we do so.

I want to go back to something that came up in the previous question about—was—are businesses plugged into schools. I think they are extremely interested in seeing more job-ready, life-ready graduates.

I am worried about businesses unplugging, in the sense that they—at some stage they may say, "Since we can't trust the value of these diplomas young people are showing up with, we are going to go find our own way to certify readiness, our own measurements. And if you can pass that, we will be less interested in how many years you spent in a traditional college setting."

That would be a real danger, and we ought to beat the marketplace to that before it reaches such a conclusion.

Mr. CURBELO. Thank you very much.

I yield back, Madam Chairman.

Chairwoman Foxx. Thank you very much.

Mrs. Davis, you are recognized.

Mrs. DAVIS. Thank you, Madam Chair.

Thank you, to all of you, for being here. I wasn't able to be here for the earlier remarks, but I hope I won't ask too many of the same questions.

Mr. Bergeron and Mr. Bennett, we recently had one of our many workshops for students and for families on FAFSA, and I know you were talking about that earlier. As you have looked at that over the years, have you created your own? Have you tried to—what is the big challenge in trying to simplify this? Because that is really what families are asking for, and you may have addressed this earlier.

What do you think? I mean, why is it that we can't move forward with this?

Mr. BENNETT. I think that Governor Daniels, when he mentioned he carries the financial aid application with him, I do too. It is the number of questions, and currently we are not using all the data systems that are available to us to make that experience simpler for families.

In addition to simplification of the form, if we go back to prior year and we have the completed tax return, everything becomes much better—much simpler for families, increases access, and that is what we should be focused on.

Mrs. DAVIS. Have you picked up a political challenge here somewhere that we are not able to break through? I know the Senate is interested in this, as well.

Mr. BERGERON. So if I might, I think the primary challenge today to moving to prior year, or even, in our proposal, telling families what federal aid they would be eligible for when their son or daughter is entering high school is really a question of costs. The reason it is difficult to move to prior year is that it will increase the cost of the Pell Grant program. It potentially could change the cost of the student loan system.

And I think that fear of those costs are what keep us from moving forward. But I think there is tremendous unanimity of opinion that we need to be moving in that direction.

Mrs. DAVIS. Thank you.

If I could just turn to you, Governor Daniels, you have such a unique perspective in many ways, being president of the university now and having—

Mr. DANIELS. You mean because I know less than all these? Yes. You are right.

Mrs. DAVIS.—having been governor. So I just—I wanted to ask you whether—do you—from where you sit today, would you do things differently as governor in seeking what many governors have to do—cuts to higher education and really impacting the local situation?

Mr. DANIELS. You know, the thing I wish I had done better is been more successful. We made a huge effort to infuse more dollars into higher education. It also involved our—would have involved our lottery, although in a different fashion than was done in Tennessee and was mentioned in Kentucky. I wasn't successful in persuading enough people to go that route, and I wish somehow that I had been.

You know, the second time we tried it, by the way, was—looked a lot like the president's proposal, a lot like the Tennessee proposal that is out there now. We were going to, in essence, create an endowment to enable, on a means-tested basis, low-income students to attend community college or take the same dollars to another state school.

You know, it is—if I can just observe, it is fun to sit here under the portrait of George Miller. Another errand I have here in town tomorrow is—he and I co-chaired the Aspen Institute's annual competition, and tomorrow we will be naming the best community college in the country.

This is really important. A lot of innovation is going on and must go on at that level, and—

Mrs. DAVIS. I would agree. I think—

Mr. DANIELS.—we will be—yes, we will be celebrating that, and I would associate with those who, in different ways, are trying to make it possible for more students to at least start their postsecondary careers there.

Mrs. DAVIS. Yes. Could you comment also, though, on K–12? Because we know that if students are well prepared they are going to do better in school, that is going to mean that they graduate quicker, as well.

And if I could just tag on, you have been successful, I believe, in trying to do—have some more visibility around sexual assault at the university. What do you recommend? We obviously are very concerned about having advocates there for victims.

Mr. DANIELS. Sure. Well, first of all, in K–12, yes, this is the undeniable truth. I remember at the very first meeting that I convened of all of the—this is my last job—of the Indiana public university presidents and I asked, "What can the state do?" they started with that, "Please send us more people who are—young people who are ready for college."

We are still struggling. Now, Indiana was second to Tennessee in the most recent years of improvement in K–12 performance, so, you know, the needle can move, but it is got a long way to go.

And another reason community colleges are so important is we still have too many people who get what we call a high school diploma who need remediation in basic reading and math. We have given that assignment in our state to the community colleges. It is a huge and important burden that they have, and another reason we have to boost them.

Mrs. DAVIS. Yes. All right.

My time is up.

Chairwoman Foxx. Thank you very much.

It is now my turn, I think, to ask some questions. I always wait till the end so my colleagues who want to go away can go away if they need to.

I need to probably give some disclosure also on the issue of TRIO programs. I began an Upward Bound program at Appalachian State University and wrote the grant to get a special services program there, and was at Appalachian when Appalachian was doing so many innovative things.

This was back in the 1970s. We were doing dual enrollment with high school students and getting college credit; we did Upward Bound; we did special services. There were just all kinds of programs. I thought we were going to catch on a long time ago in higher education and haven't, frankly. I have been a little surprised at that.

And I have said here a couple of times, in 1962 I took a course on TV when I was living with my grandparents in New York City—got up early every morning, took a course on TV. I didn't try and take it for credit. I thought, again, that was going to bloom in higher education. Has not.

I have, again, been waiting for all these innovations to come along. I was out there when they were happening.

And God is giving me good lessons. My grandson is a senior in high school this year and he is struggling with the Common Application form and the FAFSA. His mother is pulling out her hair trying to do all this.

So despite what Congresswoman Stefanik said, some of us are a little more familiar with what is going on today in higher education than she might think.

So, but I am wanting to ask a couple of questions.

Dr. Keller, you have talked a little bit about how our measures for success—what we get from the department now are so narrow. Talk a little bit about what type of students the metric through the Student Achievement Measure would give us that we are not able to capture now, and a little bit more about why this would be significant.

Ms. KELLER. Absolutely. Thank you, Chairman Foxx.

The Student Achievement Measure, in fact, would cover all of the students who are enrolled within higher education and seeking a degree or certificate. So that would include part-time students; that would include students who are transfer students to a particular institution; that would include full-time students, and the full-time

first-time students. So with the Student Achievement Measure you have the ability to track the outcomes of all of those students.

And we think this is very, very significant. A couple of data points to illustrate: Over half of the bachelor's degree recipients attend more than one institution before they graduate. Only about 30 percent of students enrolled in postsecondary education fit the traditional student model.

We believe it is so important, if we want to hold institutions accountable, to have good measures. If we want to provide good and clear information for students to make informed decisions, we need to be using the right measures in order to do so.

Chairwoman Foxx. Thank you very much.

Mr. Bennett, what—I don't know if your organization has done this or not, and I apologize—what income and asset questions should remain or be added to the FAFSA? You have talked about the year before the year prior, but what do we want to do to make sure that the neediest students get the grants that they need? How can we guarantee that?

Mr. BENNETT. Well, I think we guarantee that by knowing that you can't just go down to two questions. And, as Governor Daniels said, I think you start off with talented people in the room and go through the exercise of, what do we need in terms of both income and assets to measure a family's financial strength, and then try to use the existing systems, like IRS Data, and have that automatically happen, versus families having to complete 108 questions.

I think we can use our federal and state systems much more efficiently to make that experience for students and families easier to apply for this process.

Chairwoman Foxx. Well, we certainly hear this complaint, as other people have said, from absolutely everybody who speaks. And shame on us if we can't do something to fix that.

Thank you very much.

I would now like to recognize Congresswoman Adams for any closing remarks she would like to make?

Ms. ADAMS. Thank you, Chairwoman Foxx.

I would also like to thank all of our witnesses for their testimony and for your thoughtful responses.

Since the last time the Higher Education Act was reauthorized in 2008 there have been a lot of changes. College enrollment has steadily increased, but so have the related costs of going to school.

I believe that higher education should be accessible to everyone regardless of their race, their ethnicity, their religion, or any other factors that make us unique. But in order to be accessible, it must be affordable.

So if we don't address the costs of higher education, it will surely hurt our economy. As many of you have said, more employers are seeking employees with some form of postsecondary education.

It will also continue to saddle students with enormous amounts of student loan debt that prevent them from participating in other parts of our economy. I have a daughter who went to school in Greensboro, and I wanted her to get a good education so she could leave home and take care of herself, and I am sure that we want that for our children so that they can be productive citizens.

But we must ensure that we are equipping institutions, like our HBCUs, with the tools and the resources necessary to serve the unique needs of their student populations and not penalize them for serving these students, nor should we penalize students because of their parents.

Now, increasing federal investments in successful college readiness programs like TRIO, like GEAR UP, can help increase college participation and improve student success.

We have a higher education system that is envied around the world and we should be proud of that. However, we have to continue making strategic investments or we will begin to see our international counterparts outpace, as they have done in primary and secondary education.

Now, I think that we have had a pretty good, thorough, and healthy discussion today. I am pleased that we have had that and I hope that we can continue this conversation in future hearings.

I look forward to working with my colleagues to get deeper into these issues so that we can come together and reauthorize Higher Education Act in a bipartisan manner.

And, Madam Chairman, I yield back.

Chairwoman Foxx. Thank you very much.

I want to thank our witnesses again for being here today. You have been—provided us lots of food for thought.

I want to make a couple of comments on some of the things you have said and then add a few points.

I think, Governor Daniels, I was impressed with what you said about your coming into your office with the mentality of saving. I think in too much of higher education, as you pointed out, the rate of increase for tuition and fees has gone up much higher than the rate of inflation in our country.

And I think over the years there has been a mentality in higher education that is that we are doing the Lord's work, therefore, we should get all the money that we want—not that we need, but that we want. And I really think that part of what needs to happen is that there be a different mentality in higher education in terms of, I think, setting—being good role models for all of us and our country.

And so I think coming in with a strong ethic about providing what it is we have traditionally thought higher education should be providing. Do you need climbing walls to do that? I am not sure—or all those things that you have talked about that have added to the cost.

I think that is part of the basis of what our institutions have to do, and I think the legislators are more and more looking at that, and I hope more and more governors are going to be looking at that.

You mentioned that in your research you found that those who work part time do better both in school and when they graduate. We have known that for 100 years in this country. We have known that people who work 15 hours a week while they are in college do better academically and have a much better chance of getting a job.

Why do we ignore the research? We continue to do research, we continue to do—you know, over and over and over again, to prove what we have known for a long, long time.

I contend higher education is the only institution in this country that has not changed in 150 years. We are still operating on the agrarian model.

You know, started out a few months, we got up to 9 months. So we still take the summers off for people to go home, work on the farm. That just isn't happening anymore. So going to year-round programs is, I think, so important.

Talking about doing the flipped classrooms is so important, I think, where students—if completion is our issue it seems to me we ought to do all we can to help them get the information that they need.

I am very keen on this issue of telling students what obligation they are taking on when they borrow money—parents and students. So, you know, we blame the system, but I think if we have students have a piece of paper, you ask them to read it in front of you, you ask them to sign it, there is an obligation there that those students and those parents are taking on.

We bemoan the fact that there is a large default rate, but if we don't expect a sense of responsibility on the part of people then we have a problem. And we should be telling people, I think, that they don't need all that money that they—that is approved for them, and explain to them what their obligation is.

And, Mr. Bergeron, I am really impressed to hear you say that after your work on gainful employment in the department that you think that should be applied to everyone. I think that is a monumental statement that you said today, and I have long felt that is the way we should do it. It brings us right back to our accountability issues.

And I think what the governor said—I have agreed with him for a long time on the issue of pretty soon business and industry is going to say, "You are not doing the job that we want you to do, Higher Education. We are going to do an alternative." Many of them already are doing that.

But I think higher education has to look within itself to look for the ways to heal itself and ask the federal government and state governments to be partners with them, but not to look to the federal government for all the solutions, because I think many of the solutions lie within the institutions themselves.

So I am very grateful to all of you for being here today and presenting alternatives to the way things are being done now, and always, always with the focus that we—the taxpayers and the students and the parents deserve better of us. And I believe we have a moral obligation to show what we should be doing and not just to talk about it.

So I hope as we develop the reauthorization for the Higher Education Act that we will be role models and that we can count on your support as we implement the recommendations that you made.

There being no further business, the hearing is adjourned, and I have no gavel so—

[Additional submissions by Mr. Daniels follows:]

PURDUE MOVES

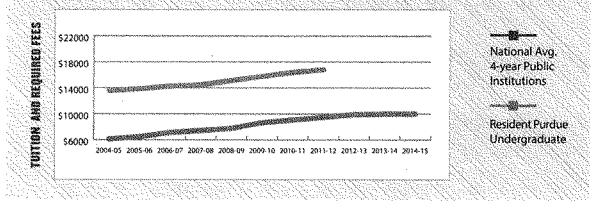
Purdue is charting a path of innovation, achievement and growth through its Purdue Moves initiative — leveraging our historic strengths within new organizational frameworks that harness the unstoppable power of this University.

VALUE OF A PURDUE EDUCATION

Committed to affordability, the University has frozen tuition and most fees at 2012-13 levels. Purdue also has partnered with Amazon for students to purchase lower-cost textbooks and other college essentials. Committed to student success, Purdue is changing the student experience with greater focus on faculty-student interaction and creative use of technology. Committed to pursuing scientific discoveries and engineered solutions, Purdue has streamlined pathways for faculty and student innovators who have a vision for moving the world forward.

We will deliver higher education at the highest proven value.

HOLDING THE LINE ON TUITION



SETTING STANDARD FOR AFFORDABILITY AND ACCESSIBILITY

- Freeze tuition and cutting costs
- Meal plan charges cut 5%, then frozen
- Textbook savings up to 30% from Amazon partnership

FORERUNNER IN TRANSFORMATIVE EDUCATION

- Change how learning occurs
- Engage students with international experiences
- Increase success and value: living on campus
- Purdue Polytechnic Institute creates competency-based degree
- Three-year Communication majors offered
- Become a year-round university

#7 BEST VALUE UNIVERSITY
BUZZFEED

9 PROGRAMS RANKED IN **TOP 10** NATIONALLY
U.S. NEWS & WORLD REPORT

#4 PREPARING STUDENTS FOR THE WORKFORCE
WALL STREET JOURNAL

TOP 5 NUMBER OF FEMALE GRADS IN ENGINEERING FIELDS

If Purdue can freeze tuition, so can others

"You'd think that freezing tuition or — heaven forbid — cutting it was impossible. In fact, it isn't. Just ask Mitch Daniels, a former federal budget director and Indiana governor who froze tuition at Purdue University after taking over as president in January 2013."

— USA TODAY EDITORIAL, MAY 14, 2014

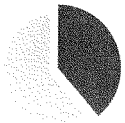
PURDUE.EDU/PURDUEMOVES

PURDUE UNIVERSITY

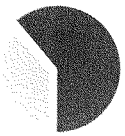
PURDUE MOVES TO MAKE A GLOBAL IMPACT IN LEARNING, RESEARCH

With the words "One Brick Higher" woven into our lifeblood, Purdue University is setting the pace for new interdisciplinary synergies to advance societal prosperity and quality of life. Through our ambitious Purdue Moves agenda, we will boldly place us among the great academic institutions of the world.

PURDUE STUDENT DEBT



39%
Percentage of in-state students who graduated without debt 2011-12



61%
Percentage of non-resident students who graduated without debt 2011-12

LOAN DEFAULT RATES

How Purdue students compare in their default rate on student loans

6% National avg. for 4-year public schools

3.2% Purdue

"Universities, and we intend to lead this at Purdue, will need to deliver an excellent education at a very affordable price, and prove that students learned and grew while they were there."

— MITCH DANIELS, PRESIDENT, PURDUE UNIVERSITY

FORGE THE WAY IN STEM LEADERSHIP

- Expand College of Engineering
- Transform College of Technology
- Strengthen Computer Science

#1 AG & BIOLOGICAL ENGINEERING PROGRAM IN U.S.
U.S. NEWS & WORLD REPORT

#2 ANALYTICAL CHEMISTRY PROGRAM IN U.S.
U.S. NEWS & WORLD REPORT

DELIVER WORLD-CHANGING RESEARCH

- Invest in drug discovery
- Advance plant science research

TOP 10
EDUCATION TECHNOLOGY INNOVATOR
LUMOSITY

2,000+
UNDERGRAD RESEARCH PROJECTS EACH YEAR

TOP 25
AMONG ALL PUBLIC UNIVERSITIES IN THE U.S.
U.S. NEWS & WORLD REPORT

TOP 10
IN MOST UNDERGRAD ALUMNI SERVING AS CEOS OF S&P 500 COMPANIES
BLOOMBERG

127 COUNTRIES
REPRESENTED IN OUR STUDENT POPULATION

91%
GRADUATE SUCCESS RATE (5-YEAR AVERAGE)

[illegible] – Produced by Purdue Marketing and Media [illegible]

PURDUE.EDU/PURDUEMOVES

PURDUE UNIVERSITY

PURDUE IMPACT

Purdue University, a top public research institution, offers higher education at its highest proven value. Committed to affordability, the University has frozen tuition and most fees at 2012-13 levels. Purdue also has partnered with Amazon for students to purchase lower-cost textbooks and other college essentials. Committed to student success, Purdue is changing the student experience with greater focus on faculty-student interaction and creative use of technology. Committed to pursuing scientific discoveries and engineered solutions, Purdue has streamlined pathways for faculty and student innovators who have a vision for moving the world forward.

ENROLLMENT

38,788 TOTAL ENROLLMENT

29,440 UNDERGRADUATE STUDENTS

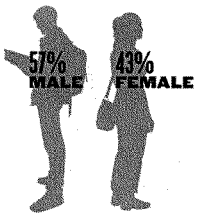
In addition to the main campus in West Lafayette, Purdue University has **three regional campuses** in Indiana.

Indiana University-Purdue University Fort Wayne (IPFW)
13,500 STUDENTS

Indiana University-Purdue University Indianapolis (IUPUI)
22,200 STUDENTS

Purdue University Northwest
16,000 STUDENTS

UNDERGRADUATE DEMOGRAPHICS



15% MINORITY
DOMESTIC STUDENT POPULATION

GALLUP-PURDUE INDEX

The Gallup-Purdue Index, a recent survey of 30,000 U.S. college graduates, found that those who have achieved great jobs and great lives were more likely to be personally engaged with a faculty member, have participated in an internship, been involved in extracurricular activities and have graduated with minimal student debt. These findings held true regardless of the type of four-year institution — public or private non-profit college; a highly selective institution or a less selective institution; or a top 100-ranked school in U.S. News & World Report vs. other schools. Find the full report at www.gallup.com

"I'm committed to seeing Purdue University take a leading role in demonstrating with clear evidence the value derived from a Purdue education and the growth students achieve while they are here."

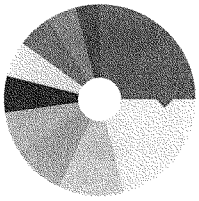
— MITCH DANIELS, PRESIDENT, PURDUE UNIVERSITY

WWW.PURDUE.EDU

PURDUE UNIVERSITY

OUR ECONOMIC IMPACT ON INDIANA AND BEYOND

Every $1 million in research funding supports employment for seven full-time employees and leads to new patents and startups that support Indiana's economy.



RESEARCH GRANTS BY AGENCY

- Industry and Foundations – 25%
- National Science Foundation – 21%
- Dept. of Health & Human Services (NIH) – 11%
- Other Federal/Foreign Govts. – 9%
- Dept. of Defense – 7%
- Dept. of Energy – 6%
- State/Local Govts. – 6%
- Purdue Research Foundation – 6%
- Dept. of Agriculture – 5%
- Other Federal – 4%

DATA SOURCE: PURDUE SPONSORED PROGRAM SERVICES

DISCOVERY PARK

- $1 billion enterprise based on amount of generated sponsored research, private gifts and endowments
- $34 million worth of equipment in labs and facilities for advancing world-changing research
- 1,000 affiliated faculty members
- 5,000 students exposed to entrepreneurial activities
- 150,000 square feet of new lab space

PURDUE RESEARCH PARKS

- 236 companies at four locations across Indiana
- 4,200 jobs in life sciences, information technology and advanced manufacturing
- $1.3 billion economic impact for state of Indiana
- $48 million contributed to state and local taxes
- Combined, park is a top 20 employer in Indiana
- High-tech, high-quality jobs paying an average annual salary of $63,000 – 65% higher than the Indiana average
- $49 million in federal research and development grants for small businesses brought to the state since 1987

RESEARCH FUNDING

$390 MILLION
SPONSORED RESEARCH FUNDING IN FISCAL 2014

#33
RANKING AMONG TOP 100 UNIVERSITIES IN FEDERAL R&D EXPENDITURES

400
RESEARCH LABORATORIES ON CAMPUS

116
NUMBER OF UNIVERSITY-APPROVED RESEARCH CENTERS AND INSTITUTES

30%
COLLABORATIVE RESEARCH THAT INCLUDES EXTERNAL PARTNERS

UNIVERSITY DEVELOPMENT

$235 MILLION
RECORD RAISED IN FISCAL 2014

65,000 DONORS
MOST EVER IN CALENDAR YEAR

DRIVING TECHNOLOGY TRANSFER

- Incentives for Student Inventors: Full property rights to inventions developed through a course with resources broadly available for the course.
- Fast Track for New Inventors: Purdue Research Foundation and its Office of Technology Commercialization offer first-time Purdue inventors a fast track to commercialization including an express startup license for a quicker and more transparent licensing.

2014

146 *issued patents worldwide*

24 *startup companies launched*

2013

106 *issued patents worldwide*

8 *startup companies launched*

[illegible] Produced by Purdue Marketing and Media [illegible]

[Additional submission by Chairman Kline follows:]

Written Testimony
Strengthening America's Higher Education System
Subcommittee on Higher Education and Workforce Training of the House of Representatives Committee on Education and the Workforce

Submitted by
David L. Warren, President, National Association of Independent Colleges and Universities

March 17, 2015

The National Association of Independent Colleges and Universities (NAICU) is the leading public policy association for the nation's private, nonprofit colleges and universities. Its membership includes over 1,000 colleges, universities, and associations. Our 963 member institutions include major research universities, church-related colleges, historically black colleges, art and design colleges, traditional liberal arts and science institutions, women's colleges, two-year colleges, and schools of law, medicine, engineering, business, and other professions.

NAICU welcomes Congress' continued interest in transparency and accountability, especially in the form of consumer information. NAICU, and its membership, supports federal transparency initiatives that offer prospective students and their families valid information on colleges and universities that best fit their educational needs and goals. Prospective students and families currently have access to a wide array of commercial consumer information resources designed to help with the college selection process, but which often have added to confusion. The federal government, with its access to millions of college aspirants, and its credibility as an unbiased, statistical resource, could play a key role in helping families sort through the many wonderful and diverse post-secondary options available in our nation. Enabling them to go beyond the commercial ratings and rankings and rely on facts would be a great service.

One very visible example of our support for providing consumer data and qualitative information for prospective students and their families is the NAICU initiative University and College Accountability Network (U-CAN) which can be found at http://www.ucan-network.org.

U-CAN was developed by NAICU in 2007, during the last Higher Education Act (HEA) reauthorization cycle in response to calls for greater consumer transparency from the House Committee on the Education and the Workforce, the Senate Committee on Health, Education, Labor and Pensions and former Education Secretary Margaret Spellings' Commission on the Future of Higher Education. As we watched the reauthorization process unfold, we saw a growing list of items that policymakers thought consumers should consider when choosing a college. As with many regulatory initiatives, the list was growing longer and longer, but there was no clear sense of what prospective students and families wanted to know.

So, NAICU took the ideas in the House and Senate HEA bills and the ideas in the Spellings Commission report, and conducted eight focus groups in four cities. There were four types of focus group participants: 1) high school students whose parents had gone to college; 2) high school students whose parents had not gone to college; 3) parents who had gone to college; and 4) parents who had not gone to college.

Here are the two key take-aways from students and parents that our research identified in 2007 after completing the focus groups:

1. **Be both long and short enough.** *Too little information can be misleading, too much can be overwhelming.* This is one of the biggest challenges for all of us in the policy world, as we debate how best to inform students and families about the opportunities available in higher education. While many of us have data points we believe are important to making an informed decision, we must find a balance to ensure consumers find the information they think is important.

2. **Include both quantitative and qualitative information.** *Beyond facts and data points, work in partnership with colleges and universities to provide information that prospective students want to know about the nature of the institution so they can determine "fit."* This can be done by allowing institutions to tell their own stories through links on college profiles, so students can learn more about what each school is really like.

   One of our focus group parents was particularly visionary about this concept, and was responsible for the three line description of each school on the top of each profile. As he put it, "if you give them only three lines to tell me about who they are, what they chose will tell me a lot about their values."

The results of the focus group research and discussion with our member institutions led to NAICU's development of the U-CAN online resource. U-CAN was designed to offer prospective students and their families a concise, Internet-based, consumer-friendly information source about the nation's private, nonprofit colleges and universities in a common, easy-to-understand format.

Today, U-CAN includes over 800 participating institutions and nearly 600 college and university profiles. In the last year alone, U-CAN has received nearly a half-a-million page views and over one million "hits" to the website.

Praised by admissions counselors, students, policymakers, and consumer groups, U-CAN consists of institutional profiles displayed in a common template. Among the in-depth data points included in the template are: admissions, enrollment, academics, student demographics, graduation rates, most common fields of study, transfer of credit policy, accreditation, faculty information, class size, tuition and fee trends, price of attendance, financial aid, campus housing, student life, and campus safety. To

help students and families obtain a feel for the campus culture, 28 links are provided to the institution's website for detailed information on specific aspects of the college or university.

Through U-CAN, consumers have easy access to information on net tuition, average loan debt at graduation, and undergraduate class-size for hundreds of colleges. This information is generally difficult for consumers to find, and comes from the U.S. Department of Education's IPEDS survey and the Common Data Set.

Consumers also are able to search institutions by 17 variables, including tuition, debt at graduation, number of students, graduation rate, city, state, distance from home, affiliation, and more.

U-CAN is totally free - both to users and to the colleges and universities that choose to participate. Participation by NAICU member institutions is voluntary, and private colleges do not have to be members of NAICU in order to participate.

Our Most Recent Work

NAICU is currently working on updating the U-CAN web presence and site infrastructure. Prior to redesigning the website, we conducted a new round of focus group research to determine whether there were significant attitude changes from 2007 in what students and parents said were most important in helping inform their college searches, and if adjustments were necessary in the organization and presentation of the institutional profile. A few weeks ago, we completed eight new focus groups in four cities (Minneapolis, MN, San Francisco, CA, Atlanta, GA, and Washington, DC). Here are some *preliminary* findings from those groups.

- In general, the elements contained within the U-CAN institutional profile still seem to be the issues that most resonate with students and parents as being important considerations in their college choice. Participants were particularly interested in the links that provide access to an institution's website to find information that distinguished it from others.

- For students, their most important piece of information is majors and degrees offered. Also important are cost, academic reputation, location and enrollment.

- For parents, we have seen a rise in interest from 2007 in their desire to have greater access to qualitative information, including details on campus safety and graduation rates, price, majors offered, and academic quality among others.

- Finally, participants wanted more information for and about prospective students. Although U-CAN already includes admission rates, and SAT and GPA ranges, they also wanted to know about such things as admissions deadlines and requirements. To avoid too much clutter, we think this might best be solved by a direct link to institutional Admissions pages.

Limitations of U-CAN

As a free resource to both participating colleges and consumers, U-CAN has its limits. NAICU is only able to include institutions from the private, nonprofit higher education sector in U-CAN. We do not have an extensive marketing budget and we operate U-CAN in-house with limited staff. Our consumer groups found it useful but had not heard of it.

When we developed U-CAN, we had hoped it would serve as a way forward to a national conversation about consumer transparency. In that aspect we have been successful. During the last reauthorization, we were honored to have staff from both the House and Senate, both Democrats and Republicans, attend our Washington, DC, focus groups. The final consumer transparency language in HEA reflected our findings, and we supported last year's bipartisan legislation in the House in this regard, H.R. 4983, *Strengthening Transparency in Higher Education Act*. We hope to work with you again during the HEA reauthorization process.

We also hope that the net result in this reauthorization will be a dynamic resource for use by all higher education sectors that the federal government can make available to prospective students. Important groundwork was laid through the advent of COOL in the 1998 HEA Reauthorization and College Navigator in 2007. The President has been working on his own array of tools from the Scorecard to the Shopping Sheet to the controversial Postsecondary Institutional Rating System.

I encourage you to work with colleges and universities to cut through all the clutter and create a simple tool that engages prospective students and helps each American find their "best fit" college.

[Additional submissions by Mr. Polis follows:]

Statement of

The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW)

On

Hearing on H.J. Res. 29, Providing for Congressional Disapproval under Chapter 8 of Title 5, United States Code, of the Rule submitted by the National Labor Relations Board relating to Representation Case Procedures.

Before the

United States House of Representatives
Subcommittee on Health, Employment, Labor, and Pensions
Of the
Committee on Education and the Workforce

March 4, 2015

The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW) is North America's largest industrial union representing 1.2 million active and retired members. We are pleased to comment on the subject of today's important hearing, and review our concerns with the committee regarding some of the topics of the hearing.

The USW strongly opposes the use of Congressional Review Act (CRA) provisions on the National Labor Relations Board (NLRB) representation case procedures rule. The NLRB crafted modest Twenty-first Century updates to the representation case procedures, which will provide certainty for workers and businesses in the process of a representation election for unionization. The updates to the rule are designed to remove unnecessary barriers to the fair and expeditious resolution of representation questions. The final rule will streamline Board procedures, increase transparency and uniformity across regions, eliminate or reduce unnecessary litigation, duplication and delay, and update the Board's rules on documents and communications in light of modern communications technology.

The changes in the proposed rule are aimed at ensuring a fair process by cleaning up and modernizing a system paralyzed by delays, bureaucracy, and wasteful litigation. The proposed process is more uniform, transparent, predictable and efficient.

USW has long experience with the abuse of antiquated election procedures that delay, disrupt and otherwise derail workers' rights to collective bargaining. USW activist Faith Clark testified before the NLRB during a public hearing regarding the election rules when first proposed in 2011 and we strongly urge you to review Ms. Clark's testimony on how her former employer significantly delayed election procedures to attack the workers' organizing drive. (https://www.youtube.com/watch?v=Ioe3z4fAQfk)

Modern estimates place Congressional hearing costs at an excess of $125,000 which is more than double the median salary of a US household ($51,900). The US median salary is essentially unchanged from 2012, after adjusting for inflation, and is 8 percent lower than in 2007, before the recession began. The best method for reversing a flat-lined US median salary trend is to increase the collective bargaining power of workers so that they can negotiate for improved wages and benefits. For example, the median weekly earnings for union members in 2013 was $950, compared to $750 for non-union workers; a $200 weekly difference.

Allowing workers to access modern communication methods and have a fair and consistent election process is critical to maintaining a proper balance between employers and employees and reversing income inequality in the country. Finally, the NLRB is working within the authority granted to it via Congress and should be applauded for tackling Twenty-first Century issues such as email communication, social media policies, and improving agency effectiveness.

USW thanks you for the opportunity to comment and urges the Subcommittee on Health, Employment, Labor, and Pensions to not continue down a path that undermines worker's rights and we urge you to oppose Congressional Review Act procedures on the NLRB rule update.

STATEMENT OF ADMINISTRATION POLICY
S.J.Res. 8- Congressional Disapproval of National Labor Relations Board Representation Case Procedures Rule
(Sen. Alexander, R-TN and 51 cosponsors)

The Administration strongly opposes Senate passage of S.J.Res. 8, which would overturn the National Labor Relations Board's recently issued "representation case procedures" rule. The Board's modest reforms will help simplify and streamline private sector union elections, thereby reducing delays before workers can have a free and fair vote on whether or not to form or join a union. The rule allows for electronic filing and transmission of documents, ensures that all parties receive timely information necessary to participate in the election process, reduces delays caused by frivolous litigation, unifies procedures across the country, requires additional contact information be included in voter lists, and consolidates appeals to the Board into a single process.

Instead of seeking to undermine a streamlined democratic process for American workers to vote on whether or not they want to be represented, the Congress should join the President in strengthening protections for American workers and giving them more of a voice in the workplace and the economy. Growing and sustaining the middle class requires strong and vital labor unions, which helped to build this Nation's middle class and have been critical to raising workers' wages and putting in place worker protections that we enjoy today. Giving workers greater voice can help ensure that the link is restored between hard work and opportunity and that the benefits of the current economic recovery are more broadly shared.

The National Labor Relations Board's representation case procedures rule helps to level the playing field for workers so they can more freely choose to make their voice heard. In doing so, it will help us build an economy that gives greater economic opportunities and security for middle-class families and those working to join the middle class.

If the President were presented with S.J.Res. 8, his senior advisors would recommend that he veto the Resolution.

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[Whereupon, at 12:02 p.m., the subcommittee was adjourned.]

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