



**NASFAA**

NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS



**PROSPER/AIM HIGHER COMPARISON**

## NEED ANALYSIS AND ELIGIBILITY

	PROSPER Act	Aim Higher Act
<b>FAFSA Simplification and Improvement</b>	<ul style="list-style-type: none"> <li>Encourages ED to reinforce and expand use of DRT</li> <li>Requires consumer testing of FAFSA</li> </ul>	<ul style="list-style-type: none"> <li>Places FAFSA applicants into one of three pathways:               <ul style="list-style-type: none"> <li>Pathway 1: Families who receive certain federal means-tested benefits. No additional income/asset questions; automatically qualify for maximum Pell Grant</li> <li>Pathway 2: Applicants who did not file any schedules with their federal income tax return. Would not require asset information from students, regardless of dependency status or parents</li> <li>Pathway 3: All other applicants, including those with more complex assets, such as business or rental income</li> </ul> </li> <li>Adds one-time FAFSA option for Pell-eligible applicants (Same EFC used each year the student self-certifies no significant change to dependency status or income)</li> <li>Allows married taxpayers filing separately to utilize the DRT</li> <li>Requires the FAFSA be available in no fewer than 11 of the most commonly spoken languages by its users, and is accessible to users with disabilities</li> </ul>
<b>Need Analysis</b>	<ul style="list-style-type: none"> <li>Increases AGI limit to qualify for Simplified Needs Test from \$50,000 to \$100,000</li> <li>Grants FAAs professional judgement authority to reduce students' COA based on method of instruction</li> <li>Excludes 529 Plans from asset definition</li> </ul>	<ul style="list-style-type: none"> <li>Auto-zero EFC for applicants who file forms 1040A, 1040EZ, or 1040 solely for the purpose of receiving the Earned Income Credit, or who are non-filers; and whose AGI falls below \$34,000</li> </ul>
<b>PPY/Early FAFSA</b>	<ul style="list-style-type: none"> <li>Codifies use of PPY tax data on FAFSA</li> <li>Moves up required Pell Grant payment schedule release from February 1 to November 1</li> </ul>	Codifies use of PPY tax data on FAFSA
<b>Student Eligibility</b>	<i>Selective Service:</i> Individuals 26 and older, who were required to register but did not are no longer automatically ineligible	<i>Selective Service:</i> Removes registration requirement
	<i>Drug-Related Ineligibility:</i> N/A	<i>Drug-Related Ineligibility:</i> Repeals drug conviction provision
	<i>Undocumented Students:</i> N/A	<i>Undocumented Students:</i> Extends Title IV eligibility to some undocumented students

	<i>Incarcerated Individuals</i> : N/A	<i>Incarcerated Individuals</i> : Removes provision prohibiting incarcerated individuals from receiving Pell Grants
	<i>Ability to Benefit (ATB)</i> : Modifies ATB provisions — removes career pathway eligibility criterion, any otherwise eligible student is Title IV-eligible upon satisfactory completion of six credit hours or the equivalent that are applicable toward a degree or certificate	<i>Ability to Benefit (ATB)</i> : N/A
	<i>Satisfactory Academic Progress (SAP)</i> : Incorporate the current regulatory definition of maximum time frame into the statute and requires that eligible students have a cumulative C average or its equivalent, or academic standing consistent with the requirements for graduation, at the end of each academic year.	<i>Satisfactory Academic Progress (SAP)</i> : N/A
	<i>Academic Credentials</i> : Students who completed secondary education provided by a school operating as a nonprofit corporation are Title IV-eligible if the secondary education is acceptable for admission by the postsecondary institution	<i>Academic Credentials</i> : N/A
<b>Program Eligibility</b>	<i>Short-term Programs</i> : Adds aid eligibility for students enrolled in short-term programs (300 clock hour duration; 10 week minimum)	<i>Short-term Programs</i> : Adds Pell eligibility for students enrolled in certain short-term job training programs (150 clock hour duration; 8 week minimum)
	<i>Competency-based Education (CBE)</i> : Establishes loan eligibility for students enrolled in CBE for coursework attributable to two academic years within award year	<i>Competency-based Education (CBE)</i> : Creates a CBE demonstration project that would allow up to 100 institutions, selected by ED, to request a waiver of, or flexibility on, certain statutory and regulatory requirements in order for them to award Title IV aid under a CBE model.

## FEDERAL PELL GRANT AND TEACH GRANT

	PROSPER Act	Aim Higher Act
<b>Pell Grant Program</b>	<ul style="list-style-type: none"> <li>• Maintains current funding structure (same share mandatory vs. discretionary)</li> <li>• Does not index maximum grant to inflation</li> <li>• Adds bonus Pell Grant award (\$300 per award) for students enrolling in a greater than full-time workload (counts toward 150 percent annual year-round Pell cap)</li> <li>• Mandates monthly/weekly disbursement of Pell awards</li> <li>• Requires annual Pell Grant counseling for all recipients, and annual notifications to students with Lifetime Eligibility Used and Pell calculator information</li> <li>• Eliminates Pell eligibility for those who complete no credit hours for three payment periods (FAAs granted authority to issue waivers in some cases)</li> <li>• Adds Pell eligibility for short-term programs (300 clock hour duration; 10 week minimum)</li> </ul>	<ul style="list-style-type: none"> <li>• Increases mandatory funding share to 60% (from approximately 17%)</li> <li>• One-time \$500 increase to maximum award</li> <li>• Permanently indexes new maximum award to inflation</li> <li>• Increases lifetime eligibility limit from 12 to 14 semesters, allowing Pell Grant to potentially apply to graduate studies</li> <li>• Students harmed by institutional fraud/misconduct could have those Pell Grants excluded from lifetime eligibility limit</li> <li>• Adds Pell eligibility for certain short-term job training programs (150 clock hour duration; 8 week minimum)</li> </ul>
<b>TEACH Grant</b>	Eliminates TEACH Grant	<ul style="list-style-type: none"> <li>• Expands TEACH eligibility to associate degree-level studies and early childhood education</li> <li>• ED required to notify students of deadlines for submitting employment certifications and when recipients have failed to submit those certifications</li> <li>• Recipients still meet service obligation if their previously-eligible school loses eligibility, or if they change roles within an eligible school</li> <li>• ED required to make public data, disaggregated by factors like race and socioeconomic status, on the number of TEACH grant recipients who fulfill their service obligations vs. those who have grants converted to loans</li> </ul>

## COMPETITIVE GRANTS

	PROSPER Act	Aim Higher Act
<b>Competitive Institutional Grants</b>	N/A	<ul style="list-style-type: none"> <li>• Jumpstart to College grant program - competitive grants to institutions to develop dual/concurrent enrollment programs</li> <li>• Northern Mariana Islands and American Samoa college access grant program - governors award grants to institutions that enroll students from specific backgrounds</li> <li>• Community College Student Success grant program - for institutions to develop and implement programs designed to increase 150% time graduation rates, and transfer rates</li> <li>• Remedial education grants - awarded to eligible institutions to improve postsecondary remedial education</li> </ul>

## CAMPUS-BASED AID

	PROSPER Act	Aim Higher Act
<b>Federal Supplemental Educational Opportunity Grant (FSEOG)</b>	Eliminates FSEOG	<ul style="list-style-type: none"> <li>• Authorizes funding at \$1.15 billion in fiscal year 2019 (currently funded at \$840 million), all subject to the actions of the appropriations committees</li> <li>• Authorized funding would increase by an additional \$150 million each year from 2019 to 2023, reaching \$1.75 billion in fiscal year 2023</li> <li>• Phases out base guarantee allocation (over 5 years)</li> <li>• Institutional allocation solely based on a fair-share formula, an amount equal to the institution's undergraduate student need from the preceding fiscal year. The undergraduate student need calculated as evenly-split combination of an institution's appropriated amount of Pell Grant dollars and overall undergraduate student need.</li> <li>• Funds not available to institutions that, for two or more fiscal years during any three-year period, have student populations comprised of less than 7% Pell Grant recipients</li> <li>• Emergency Grant Demonstration Program - individual grants of \$750 or less to address financial emergencies such as unemployment, unanticipated medical expenses, child care, housing loss, etc. (requires 50% non-federal match)</li> </ul>
<b>Federal Work-Study (FWS)</b>	<p><i>Funding:</i></p> <ul style="list-style-type: none"> <li>• Authorizes funding at \$1.72B (almost double recent appropriations)</li> <li>• Increases non-federal share requirement from 25 percent to 50 percent (over 5 years)</li> <li>• 20% of funds set aside for institutions with highest completion and improvement rates for Pell Grant recipients</li> </ul>	<p><i>Funding:</i></p> <ul style="list-style-type: none"> <li>• Authorizes funding at \$1.5 billion (currently funded at \$1.13 billion). Increases of \$250 million in each succeeding year through 2023 (to \$2.5 billion)</li> <li>• Work-based learning opportunities pilot grant - establish/expand work experience programs</li> <li>• Bonus allocation (\$30 million out of total) - institutions that have demonstrated strong outcomes for serving and graduating Pell Grant recipients (top 75 percent of all eligible)</li> </ul>

	<p><i>Allocation Formula:</i></p> <ul style="list-style-type: none"> <li>• Phases out base guarantee allocation (over 5 years)</li> <li>• Fair share formula - 1/2 based on share of total Pell; 1/2 based on total undergraduate institutional need</li> </ul>	<p><i>Allocation Formula:</i></p> <ul style="list-style-type: none"> <li>• Replaces allocation formula with fair-share formula similar to that proposed for FSEOG though it would also include graduate student need in the calculation, and include a “bonus allocation”</li> </ul>
	<p><i>Eligibility</i></p> <ul style="list-style-type: none"> <li>• Eliminates eligibility for graduate/professional students</li> </ul>	<p><i>Eligibility:</i></p> <ul style="list-style-type: none"> <li>• Maintains eligibility for graduate/professional students</li> </ul>
	<p><i>Use of Funds:</i></p> <ul style="list-style-type: none"> <li>• Eliminates requirement that 7% of FWS funds go to students in community service positions</li> <li>• Community service component replaced with work-based learning component</li> <li>• Eliminates 25% private sector employment cap</li> <li>• Full-time private sector employment allowed if academically relevant, complements students’ career goals</li> <li>• Institutions may, but no longer required, to use FWS funds for tutoring and literacy initiatives</li> <li>• Increases overaward tolerance from \$300 to \$500</li> </ul>	<p><i>Use of Funds:</i> N/A</p>
<b>Perkins Loan Program</b>	<ul style="list-style-type: none"> <li>• Provides guidance for winding down Perkins Loan Program</li> <li>• Requires schools to assign Perkins loans to ED if they do not service them</li> <li>• Directs ED to deposit net collections into US Treasury</li> </ul>	<ul style="list-style-type: none"> <li>• Removes prohibition of making new Perkins loans</li> <li>• Establishes Federal Direct Perkins Loan program - same terms as Direct Unsubsidized Loan, but campus-based (\$6 billion authorization)</li> <li>• Changes allocation formula: 1/2 based on institutional self-help need amount; 1/4 based on low-tuition incentive; 1/4 based on percentage of Pell recipients who earn degrees</li> <li>• Includes provisions for institutional recovery of unreimbursed cancellations, as well as for recovery of short-term loans to the Perkins Loan fund</li> </ul>

## LOANS & REPAYMENT

	PROSPER Act	Aim Higher Act
<b>Origination Fees</b>	Eliminates origination fees	Eliminates origination fees
<b>Loan Programs</b>	<ul style="list-style-type: none"> <li>• Terminates Direct Loan Programs (current DL borrowers could continue to borrow DLs through Sep. 2024)</li> <li>• Replaces with new Federal ONE Loan program (all loans made after June 30, 2019)               <ul style="list-style-type: none"> <li>○ All unsubsidized</li> <li>○ Parents subject to same immigration status and SSN verification as students</li> <li>○ Parents with adverse credit history subject to counseling</li> <li>○ Parent loans limited to annual maximum</li> <li>○ No equivalent of current Grad PLUS program</li> <li>○ Offers consolidation loans</li> </ul> </li> </ul>	Maintains Direct Loan Programs as currently structured
<b>Repayment</b>	<ul style="list-style-type: none"> <li>• 2 repayment plans: 1 standard and 1 income-based               <ul style="list-style-type: none"> <li>○ Standard: 10-yr term</li> <li>○ IBR:                   <ul style="list-style-type: none"> <li>- Payments equal 15% AGI over 150% of poverty line; subject to \$25 monthly minimum</li> <li>- No time-based forgiveness provision. Balances forgiven once borrower repays amount equal to total principal and interest under 10-yr standard plan</li> <li>- Not available for parent loans</li> </ul> </li> </ul> </li> <li>• Defaulted borrowers allowed to rehabilitate loans twice</li> </ul>	<ul style="list-style-type: none"> <li>• 2 repayment plans: 1 fixed and 1 income-based               <ul style="list-style-type: none"> <li>○ Fixed: Terms range 10-25 years based on loan balance</li> <li>○ IBR:                   <ul style="list-style-type: none"> <li>- For incomes below \$120,000, payments equal 10% AGI over 250% of poverty line</li> <li>- For incomes between \$120,000 and \$170,000, payments equal 10% of AGI less a gradually-decreasing percentage of poverty line (starting at 250% for \$120,000 income, and then 5% lower for each \$1,000 of income)</li> <li>- For incomes over \$170,000, payments equal 10% of AGI with no income exclusion based on the poverty line</li> <li>- Automatic annual recertification</li> <li>- ED permitted to obtain income/household size info for borrowers more than 60 days delinquent and inform them of repayment options</li> <li>- ED permitted to auto-enroll borrowers more than 120 days delinquent into IBR plan</li> </ul> </li> </ul> </li> <li>• Permits separation of joint consolidation loans</li> <li>• Refinancing available for FFEL, DL, and private education loans borrowed prior to July 1, 2019               <ul style="list-style-type: none"> <li>○ Eligibility linked to income/debt-to-income ratio</li> </ul> </li> </ul>



<b>Interest Rates</b>	Based on 10-yr Treasury notes, subject to a cap	IBR: Interest accrual capped at 50% of original principal balance
<b>Public Service Loan Forgiveness</b>	Eliminates PSLF	<ul style="list-style-type: none"> <li>Expanded to include certain farm workers and health care providers working in public service jobs who are prohibited by state law from being hired directly by a hospital or another health care facility</li> </ul>
<b>Loan Servicers</b>	<ul style="list-style-type: none"> <li>ED must create common manual for loan servicers, to the extent practicable</li> <li>Requires ED to allocate new borrower loan accounts to contractors on performance basis using common performance metrics and capacity comparisons</li> </ul>	<ul style="list-style-type: none"> <li>ED must create common manual for loan servicers</li> </ul>
<b>Borrower Defense</b>	<ul style="list-style-type: none"> <li>Borrowers can recover payments no later than 3 years after misconduct or breach of contract</li> <li>ED not allowed to withhold from institutions any materials, facts, or evidence used to process a borrower defense application</li> <li>Applicants required to consolidate all Title IV loans into Federal ONE Consolidation Loan and submit individually-filed applications</li> <li>Outlines conditions for borrower defense to repayment: <ul style="list-style-type: none"> <li>Borrower has obtained judgment against the institutions based on State/Federal law, court, or administrative tribunal;</li> <li>Institution failed to perform its contractual obligations; or</li> <li>Institution's (or its representatives') marketing/outreach activities made substantial misrepresentation that borrower reasonably relied on to make attendance decision</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Provides statutory definition for borrower defense to repayment <ul style="list-style-type: none"> <li>Includes a substantial misrepresentation or act of omission that would give rise to cause of action against school under applicable State law</li> </ul> </li> <li>Entirety of outstanding debt would be forgiven if ED upholds claim</li> </ul>

## CONSUMER INFORMATION & TRANSPARENCY

	PROSPER Act	Aim Higher Act
<b>College Navigator</b>	<ul style="list-style-type: none"> <li>• Replaces College Navigator with College Dashboard (must be consumer-tested and ED would not have authority to issue associated regs):               <ul style="list-style-type: none"> <li>○ Data on full-time students would include all full-time students, not only first-time, full-time students</li> <li>○ Adds new disclosures about debt/earnings by program</li> <li>○ Removes publication of schools with highest and lowest tuition and fees, highest and lowest increases in tuition and fees, and highest and lowest net price</li> <li>○ Removes state higher education spending chart that was required of ED</li> <li>○ Removes multi-year tuition calculator</li> <li>○ Removes reports schools must submit to ED</li> </ul> </li> </ul>	N/A
<b>Student Unit Record Data</b>	N/A	<ul style="list-style-type: none"> <li>• Repeals ban on collecting federal student-level data</li> <li>• Requires NCES to establish secure system to collect and house student-level data</li> <li>• Required elements:               <ul style="list-style-type: none"> <li>○ First-time enrollment status; attendance intensity; distance education enrollment status; credential-seeking status; credential level; race; age; gender; program of study; military/veteran status; Pell eligibility; Pell recipient status; federal loan recipient status; disability status; first-generation college student status</li> </ul> </li> <li>• Prohibited elements:               <ul style="list-style-type: none"> <li>○ Health data; student discipline data; elementary and secondary education data; address; citizenship or national origin status; course grades; student-level post-secondary entrance examination results; political affiliation; religion</li> </ul> </li> <li>• Outcomes measured:               <ul style="list-style-type: none"> <li>○ Enrollment, retention, transfer, and completion</li> <li>○ Financial indicators for federal grant/loan recipients</li> <li>○ Earnings, employment, postgraduate education by program/credential level</li> </ul> </li> </ul>

<b>Net Price Calculators</b>	<ul style="list-style-type: none"> <li>• Maintains tool in current form; adds new requirements: <ul style="list-style-type: none"> <li>○ Clear labeling and prominent posting of schools' websites</li> <li>○ Consistent size and font across webpage links</li> <li>○ Clearly marked required vs. optional questions</li> <li>○ Data may not be more than two years old</li> <li>○ Personally identifiable information may not be shared with third parties</li> </ul> </li> <li>• Calculator result requirements: <ul style="list-style-type: none"> <li>○ Net price is "most visually prominent figure"</li> <li>○ COA broken down by tuition and fees, average room and board, average books/supplies, and estimated costs of other expenses</li> <li>○ Estimated need-based and merit-based grant aid from federal, state, and institutional sources available</li> <li>○ % full-time undergraduates that received any type of grant aid</li> </ul> </li> </ul>	N/A
<b>Institutional Ratings System</b>	Prohibits the creation of an institutional ratings system	N/A
<b>Annual Disclosures</b>	<ul style="list-style-type: none"> <li>• Following items removed from required annual disclosures (moved to Dashboard): <ul style="list-style-type: none"> <li>○ Student body diversity</li> <li>○ Graduate placement/types of employment</li> <li>○ Graduate/professional education pursued by graduates</li> <li>○ Fire safety</li> <li>○ Retention rates</li> <li>○ Vaccination policies</li> </ul> </li> </ul>	N/A
<b>Shopping Sheet</b>	N/A	<ul style="list-style-type: none"> <li>• Requires use of ED's "Financial Aid Shopping Sheet," either in the place of a financial aid award notification or in addition to an award notification</li> </ul>

<p><b>Counseling Requirements</b></p>	<ul style="list-style-type: none"> <li>• Annual counseling for all recipients of Pell Grants and federal loans (including parent loans)</li> <li>• ED to provide online counseling tool, or institution may choose to conduct counseling itself</li> <li>• Borrowers must accept loans by signing Master Promissory Note or separate written statement</li> <li>• Borrowers must acknowledge in writing they have read a Plain Language Disclosure Form before receiving a loan</li> <li>• New exit counseling requirements: <ul style="list-style-type: none"> <li>○ Summary of outstanding loan balance for each individual borrower</li> <li>○ Explanation of the grace period and expected date that repayment will begin</li> <li>○ Explanation of interest capitalization and options to pay interest when not required</li> <li>○ Monthly payments under the standard 10-year repayment plan and income-based repayment plans based on the borrower's loan balance</li> <li>○ Additional impacts of failure to repay, including decreased credit score, potential reduced ability to rent or purchase a home or car, and potential difficulty in securing employment</li> <li>○ Contact info and website for borrower's loan servicer</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Annual counseling for Direct Loan recipients, to include anticipated balance of the loan being borrowing, as well as anticipated monthly repayment amounts under both repayment plans</li> <li>• ED to provide online counseling tool</li> <li>• Borrowers must accept loans by signing a “student loan contract” (replaces current Master Promissory Note)</li> <li>• New exit counseling requirements: <ul style="list-style-type: none"> <li>○ Summary of outstanding loan balance for each individual borrower</li> <li>○ Explanation of the grace period and expected date that repayment will begin</li> <li>○ Explanation of options to pay interest when not required</li> <li>○ Monthly payments under the fixed repayment plan and income-based repayment plans based on the borrower's loan balance</li> <li>○ Additional impacts of failure to repay, including decreased credit score, potential reduced ability to rent or purchase a home or car, and potential difficulty in securing employment</li> <li>○ Contact info and website for the borrower's loan servicer</li> </ul> </li> </ul>
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## DEPARTMENT OF EDUCATION

	PROSPER Act	Aim Higher Act
<b>Program Reviews</b>	<ul style="list-style-type: none"> <li>• Sets timeline for ED on reviews. Must issue initial report within 90 days, respond to school's response within 90 days and issue final report within 90 days of school's final response</li> <li>• Seeks to reduce entire program review process to under two years</li> </ul>	<ul style="list-style-type: none"> <li>• Instead of assigning priority to institutions with cohort default rates over 25 percent, ED will prioritize those with adjusted cohort default rates over 18 percent, or those with rates that place them in the highest 25 percent of institutions</li> </ul>
<b>FSA Oversight</b>	<ul style="list-style-type: none"> <li>• Solidifies performance-based organization (PBO) status of FSA</li> <li>• Creates advisory board tasked with evaluating agency performance</li> <li>• Streamlines strategic planning and senior manager evaluation processes</li> </ul>	N/A
<b>Other ED Requirements</b>	<ul style="list-style-type: none"> <li>• Creates an online platform that stakeholders can use to share best practices in disseminating early awareness information.</li> <li>• Creates a consumer-tested online and mobile estimator tool that allows an individual to receive non-binding estimates of potential federal aid eligibility and the net price for various income categories for specific institutions</li> <li>• Requires quarterly publication of information on the performance of the student loan programs, including specific data on repayment time frames, use of forbearance and deferment statuses, borrowers with zero monthly payments in an income-driven repayment plan, and the Public Service Loan Forgiveness (PSLF) program</li> </ul>	<ul style="list-style-type: none"> <li>• Requires that ED initiate a study of the effectiveness of student loan counseling, collecting aggregated data on who is completing counseling and measuring it against those populations' persistence, degree attainment, and cumulative borrowing levels to assess whether loan counseling is having the impact it is meant to have on financial literacy</li> </ul>

## PROGRAM INTEGRITY

	PROSPER Act	Aim Higher Act
<b>Accreditation</b>	<ul style="list-style-type: none"> <li>• Would not require accrediting agencies to seek special approval from ED to review distance education programs or institutions offering them</li> <li>• Original 10 standards for assessment are struck and replaced</li> <li>• Special program accrediting for competency-based education programs</li> </ul>	<ul style="list-style-type: none"> <li>• Requires accreditors to set standards for certain measures and provides ED with the authority to veto accreditor-set standards</li> <li>• Adds criteria for institutions accepting short-term Pell dollars:               <ul style="list-style-type: none"> <li>○ Standards must include assessing whether program aligns with state/local employer needs</li> <li>○ Must demonstrate program has corresponding industry/sector partnership that recognizes credential</li> <li>○ Must provide academic content and amount of instructional time necessary to meet hiring requirements and satisfy applicable prerequisites for professional licensure or certification</li> </ul> </li> </ul>
<b>State Authorization</b>	<ul style="list-style-type: none"> <li>• Repeals all regulations that define state authorization (including regulations that require distance education-providing institutions to be authorized in each state that has student enrollment)</li> <li>• Maintains requirement that schools be authorized by each state in which the school has a physical location</li> <li>• Preserves current regulatory treatment of religious institutions</li> <li>• Prohibits any future regulations on state authorization by the Department of Education (ED)</li> </ul>	<ul style="list-style-type: none"> <li>• Maintains current language. Also requires states to:               <ul style="list-style-type: none"> <li>○ Certify their institutions meet state standards on facilities, equipment, and supplies; measures of program length; records of student complaints available to the state</li> <li>○ Manage, compile, and distribute data on student complaints to ED and accrediting bodies</li> </ul> </li> </ul>
<b>Gainful Employment</b>	Repeals gainful employment regulations and prohibits any related future rulemaking	Maintains gainful employment provision
<b>Credit Hour</b>	Repeals regulatory definition of credit hour and prohibits any related future rulemaking	N/A
<b>Verification</b>	Restores Quality Assurance program	<ul style="list-style-type: none"> <li>• Requires ED to annually collect and share data on:               <ul style="list-style-type: none"> <li>○ % of applicants who both did and did not receive a Pell Grant award and % of those who were selected for verification</li> <li>○ % of all applicants selected for verification</li> </ul> </li> </ul>

## INSTITUTIONAL ACCOUNTABILITY

	PROSPER Act	Aim Higher Act
<b>Loan Outcome Metrics (CDR)</b>	<ul style="list-style-type: none"> <li>Replaces cohort default rate (CDR) with program-based repayment rate                             <ul style="list-style-type: none"> <li>% of borrowers in a positive repayment status (including &lt;90 days delinquent, deferment, forbearance) at the end of the second fiscal year after entering repayment</li> </ul> </li> <li>Programs lose Title IV eligibility if rate is &lt;45% for each of the three most recent fiscal years</li> <li>Programs with rates &lt;45% for one or two consecutive years must take formal steps to improve rate, including establishment of repayment improvement task force and improvement plan submitted to ED</li> </ul>	<ul style="list-style-type: none"> <li>Maintains cohort default rate (CDR)</li> <li>Adds adjusted cohort default rate (ACDR) that:                             <ul style="list-style-type: none"> <li>Accounts for institutions' number of borrowers</li> <li>Omits loans in non-mandatory forbearance for periods between 18 and 36 months from the denominator</li> <li>Considers loans as defaulted if in forbearance &gt;36 months</li> </ul> </li> <li>Institutions lose Title IV eligibility if ACDR &gt;20% for each of three most recent fiscal years, or if ACDR &gt;10% for eight most recent fiscal years</li> </ul>
<b>Return of Title IV (R2T4)</b>	<ul style="list-style-type: none"> <li>% of aid earned based on quarterly assessment (rather than day-by-day calculation)                             <ul style="list-style-type: none"> <li>Amount earned would be 0, 25, 50, or 75 percent of aid depending on timing of student's withdrawal</li> </ul> </li> <li>Shifts all responsibility for repaying unearned funds to institution</li> <li>Narrows definition of "schools that are required to take attendance"</li> <li>Restores some discretion to schools in paying post-withdrawal disbursements</li> <li>Changes order of distribution of returned funds</li> <li>Distinguishes between changing enrollment status and withdrawing (for module purposes)</li> </ul>	N/A
<b>90/10 Rule</b>	Repeals 90/10 rule	Changes 90/10 rule to 85/15 and includes all sources of federal education assistance, including veteran education benefits



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