



July 26, 2018

The Honorable Rodney Frelinghuysen, Chairman
House Committee on Appropriations
The Capitol, Room H-305
Washington, DC 20515

The Honorable Nita M. Lowey, Ranking Member
House Committee on Appropriations, Minority
1016 Longworth House Office Building
Washington, DC 20515

Dear Chairman Frelinghuysen and Ranking Member Lowey:

On behalf of the National Association of Student Financial Aid Administrators (NASFAA), I write to urge you to support two provisions that would strengthen the federal student aid programs in the final FY 2019 Labor-HHS-Education spending bill. NASFAA represents more than 20,000 financial aid professionals at nearly 3,000 colleges, universities, and career schools across the country. All told, NASFAA members serve nine out of every ten undergraduate students.

First, we encourage House leaders to support Sec. 310 of the Senate FY 2019 Labor-HHS-Education bill, S. 3158, during negotiations on a final funding bill.

Second, NASFAA supports the Senate's commitment to improving the purchasing power of the Pell Grant by increasing the Pell Grant maximum award, and we encourage the House to follow suit.

Background:

Last year, the Department of Education's (ED) Privacy and Technical Assistance Center (PTAC) released verbal guidance on the sharing of Free Application for Federal Student Aid (FAFSA) data. This new guidance prohibited a student from providing written consent for institutions to release FAFSA data for a purpose not deemed permissible in Section 483(a)(3)(E) of the Higher Education Act, as amended. Under the new (verbal only) guidance, institutions could not, even with written consent from the student, disclose financial aid award information to outside entities that have legitimate need for the financial aid award information, including scholarship providers, and government agencies.

The Consolidated Appropriations Act, 2018 (P.L. 115-141) included a provision clarifying that an institution may, with explicit written consent from the student, share FAFSA information with scholarship-granting organizations or tribal organizations to assist the applicant in applying for and/or receiving financial assistance. Other potential uses of FAFSA data, such as eligibility determinations for state benefits programs, were not addressed in the bill. Therefore, it appears that institutions are still not allowed to make disclosures of FAFSA data for other uses, even with the student's written consent.

For example, some postsecondary students rely on state means-tested benefits, such as subsidized housing, to fill the gap between the cost of college and the federal, state, and institutional student financial aid they receive. To determine financial need, some states obtain student consent to obtain certain data directly from the student's financial aid office. Under the PTAC verbal guidance, the student must provide the requested information to their state, creating a new and unnecessary burden in an already complex process.

Privacy laws are in place to protect student data from misuse; interpreting those laws as prohibiting students from authorizing use of their own data for their own potential benefit is not only misguided, it contradicts much of the progress we have made over many years to simplify the financial aid process for students. We have tried repeatedly to address this issue with ED, to no avail. At this point, the only viable option is for Congress to address this issue again this fiscal year by including a provision in the final FY 2019 appropriations bill that would allow the sharing of FAFSA data with written consent from the student to any organization that is assisting the applicant in applying for any financial assistance to help cover educational costs, the way the process worked prior to the recent PTAC interpretation.

That is why we encourage House leaders to support Sec. 310, provided below, of the Senate FY 2019 Labor-HHS-Education bill, S. 3158, during negotiations on a final funding bill.

Sec. 310. (a) An institution of higher education may, with explicit written consent of an applicant who has completed a FAFSA under such section 483(a), provide such information collected from the applicant's FAFSA as is necessary to a scholarship granting organization, including a tribal organization (defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)), or to an organization assisting the applicant in applying for and receiving Federal, State, local, or tribal assistance, that is designated by the applicant to assist the applicant in applying for and receiving financial assistance for any component of the applicant's cost of attendance (defined in section 472 of the HEA) at that institution.

(b) An organization that receives information pursuant to subsection (a) shall not sell or otherwise share such information.

(c) This section shall be in effect until title IV of the HEA is reauthorized.

This is a commonsense solution that ensures ED allows students to share their own information in an efficient, practical way. Disrupting longstanding norms to require students to jump through additional hoops makes little sense to students, families, financial aid offices, scholarship providers, and others working to support student access and success. It is the students--who the privacy laws were designed to protect--who lose out when the interpretation and application of these laws does not correctly balance privacy and practicality. We urge you to include this provision and open doors for students.

In addition, NASFAA supports the Senate's commitment to improving the purchasing power of the Pell Grant by increasing the Pell Grant maximum award, and we encourage the House to follow suit. Without modest annual increases, the Pell Grant program will not keep pace with inflation and will reduce student access to postsecondary education.

We look forward to working with you to increase investment in students and to remove barriers to accessing higher education as the appropriations process moves forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin Draeger". The signature is fluid and cursive, with a long horizontal stroke at the end.

Justin Draeger, President & CEO

Cc: Chairmen Shelby and Blunt and Ranking Members Leahy and Murray