Committee Update

- Reauthorization Comments – late, but submitted
- Gainful Employment Hearings – Guest: Rhonda Mohr
  - ED sends out a notice of NegReg, asks for nominated Negotiators (Federal Register, iFAP announcement)
  - Vice Chancellor suggested Rhonda,
  - NASFAA scheduled a call for next week to discuss
  - First official NegReg meeting in September, next in October (2 meetings, though usually there are 3)
  - Lots of attorneys and business people on the committee, surprisingly few FAAs (4 of 30+), many school officials, but not FAAs
  - Barbara _ from the Office of the President
  - Current Gainful Employment regs negated on a technicality, a debt measurement was not fully vetted, and the number was seen as arbitrary
  - Disclosures, Reporting, and debt measures
  - Measuring success and value of a program
    - A student’s expectation is that this program prepares them for a specific job that they could not get without this education
    - Comparing the cost of living with the cost of debt
    - If the school fully discloses the risks and the student still pursues the program, this is the student’s responsibility
    - If the school promises a certain job or salary and cannot deliver, this is the school’s responsibility
    - How to measure student income vs. degree is difficult
    - A student may switch programs, which makes reporting difficult
    - There are no placement services at the Community colleges, so there is no job promise
    - The school-student relationship looks very different in the community college setting, with a highly transitory population – Students would not readily give employment data to the institution
  - While the target of Gainful Employment regs may have been For-Profit schools, the vast majority of qualifying programs are in Community Colleges
Other states have CC students with higher uptake on loans than CA.

While the disclosures are burdensome, they are reasonable. The reporting is complex and likely inaccurate – this is the difficulty.

The process of obtaining employment information has not been successful, and leads to a lot of subjective evaluation.

- 2012 NegReg from Package 2 – Loan issues open for Comment (potential early implementation, but likely to be effective 7/1/14, addressing Loan issues, some new disclosures, forbearance changes, loan rehabilitation clarification, wage garnishment, for FFEL, DL, Perkins – technical corrections to update from old FFELP references)
- “Red Line” summary available on iFAP, posted 7/11
- Comments due 8/28 – more focused on the guarantor and servicer side. Any comments may be on technical corrections
- No need for CASFAA to comment

**Membership Update**

- Link to Reauthorization comments
- SB 1289 Private loan disclosures - school requirements - link to Thalassa's article in the June Newsletter
- Package 1 (TPD) NCHER Comparisons
- ED’s Presentations at NASFAA
- Sallie Mae’s How America Pays for College

**Any new issues we should be aware of?**

- Perkins Excess Cash letters – WASFAA to send out something (or to ask NASFAA to send something out)

**Other Questions?**

None

**Next Meeting**

September 19th, 2:00-3:00

**ACTION ITEMS**

- Daniel will add Rhonda Mohr to our next September meeting to report back from her first meeting – DONE
- Daniel will send out a membership update with the discussed items