



Testimony before the U.S. Senate Committee on Health, Education, Labor and Pensions

Reauthorizing the Higher Education Act: Simplifying the FAFSA and Reducing the Burden of Verification

Michael P. Meotti, Executive Director
Washington Student Achievement Council

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Introduction

Chairman Alexander, Ranking Member Murray, and distinguished Members of the Committee, I appreciate the opportunity to testify today on the state partnership with the federal government to expand access to post-secondary education through financial aid.

My name is Michael Meotti, and I am the Executive Director of the Washington Student Achievement Council (WSAC). WSAC is the state's higher education agency and plays a leadership role in state higher education policy. We also manage a wide variety of state financial aid programs, college readiness programs including GEAR UP, the state's 529 plans. We also conduct research that informs state decision-making and community practice.

I served in leadership roles in a state higher education agency and public higher education system in another state. I have worked closely with colleagues and other stakeholders around the country in various initiatives to increase student access and success. And before my work in higher education, I led nonprofit organizations that worked to increase economic success for lower income households with a focus on how to connect people to the federal, state and community resources.

Building a stronger state-federal partnership

The state of Washington is already a strong partner with the federal government in expanding access to higher education especially for students from lower income households. Our state's investment in student grants to Washington residents going to college in state almost matches the total Pell grants awarded to these students. We rank #2 among all states in state need-based aid per full time equivalent undergraduate student.

But we need to do more to build an environment in which all Americans can achieve their life goals in an affordable and student-friendly educational environment. As we sit here today, the state legislature is moving forward on Governor Jay Inslee's proposal to fully fund our state need grant. If passed, the rechristened College Promise Scholarship Program will match the entitlement of the Pell grant so that we can serve all eligible students.

The federal partnership with states must go beyond the investment in aid. Just making financial aid available is not sufficient to overcome the challenges that face students from lower income and first generation households and students of color. While states such as Washington do collaborate with the federal government in concept, we could benefit from a more formal partnership supported with funding to promote additional investments in affordability and accessibility for higher education. The good news is that modest investments and federal incentives to states to support outreach, counseling and support programs can a long way to maximize the return on investment on our financial aid dollars.

Partnering in the work to support access to financial aid

Washington invests in an extensive body of work to support access to financial aid. Much of our work focuses on supporting high schools in their efforts to increase high school graduation and college enrollment. We are also launching a new initiative to help adults understand their program options and available financial support for educational pathways.

Washington's work to support access to financial aid starts in middle school. We are one of the few states that have a state funded college promise program. Our College Bound Scholarship (CBS) engages 7th and 8th grade students from lower income households to consider a college going path and to understand that financial aid is there to make it affordable.

The College Bound enrollment process is simple. Almost all schools in the state upload a student roster to our agency so that we can pre-populate a "sign up" form. WSAC then prints these forms in bulk and sends the forms to our schools who distribute them to students and parents. Students and parents need only sign the form (sample attached) after checking a few boxes to attest to income level, commit to getting good grades and completing a FAFSA or WASFA (application for state aid for undocumented students) in 12th grade.

In the 11 years since College Bound started enrolling middle school students, the statewide sign up rate reached 70+% of all students in the free and reduced price lunch program. Early cohorts enrolled in CBS have graduated from high school and enrolled in college at higher rates than their peers.

Despite these good signs of progress by College Bound students, WSAC staff realized that more than a third were not completing a financial aid application in their senior year. We launched our 12th Year Campaign several years ago to help high schools increase FAFSA and WASFA completion rates among all students.

WSAC provides a web-based FAFSA data portal to all high schools in the state. Approximately 95% of high schools have signed data sharing agreements to have access to the portal. School staff can see which students have filed a FAFSA and if any applications are in “error state” which may mean that a student needs to correct some information. We update this data on a weekly basis throughout the school year so that school-based staff has almost real time access to the status of their students.

Both WSAC and high school staff help students make the necessary corrections to resolve whatever has put an application into error state. Last year, the statewide error rate in FAFSA applications filed by high school seniors declined to 4.4%. I am hopeful that we can soon add verification rate information in the data available to WSAC and high schools to help us support students through this process as well.

The 12th Year Campaign currently provides technical assistance and outreach materials to 197 partners (165 high schools and 27 community organizations). The number of partners has been growing annually. Partner high schools report a FAFSA completion rate 10 percentage points higher than non-partner schools. WSAC launched the Plus 5 Push initiative to encourage partners to work towards an annual increase of 5 points in their application rates. Our staff has developed a variety of school recognition techniques to motivate higher performance as we can continue to explore how we can better achieve our goals.

We are particularly proud to work with our state’s US Senators and congressional delegation to include their leadership voices to encourage students. Just this year, Senator Murray recorded a Public Service Announcement urging students to continue their education and reach out to supports that can help them receive the financial aid that makes that possible.

Struggling with the added complexity of the FAFSA verification process

We know that the FAFSA verification process is now a major obstacle to getting financial aid. Our analysis of US Department of Education data shows that 31% of FAFSA applications or over 155,000 in total, filed in 2017-2018 were selected for verification. The data system won’t allow us to determine how many of these applicants never received financial aid, but the stories from our frontline partners paint a horror story.

Washington is the home of 29 federally recognized Indian tribes. Many of our educational institutions have staff working directly with tribal governments and their members to support access to higher education. One community college staff member reports that almost every tribal member who files a FAFSA is selected for verification. Many of these students earn a living by exercising tribal rights in fisheries and other economic activity and are not subject to taxes. This makes verification very complicated. In addition, many of these students do not participate in the types of financial transactions that are used to enable online verification and must use mail verification. In her words, “many of my students are already apprehensive about college and are almost looking for an excuse to not continue.”

The state of Washington is deeply committed to supporting educational success for foster youth. They are automatically enrolled in our College Bound program and are eligible for additional supports along their educational pathway. A local nonprofit that provides some of these supports has too many frustrating stories to tell about foster youth required to obtain dependency court orders and tax transcripts to get financial aid. Obviously, this is a world of government process and forms that would befuddle even highly educated adults, let alone some of our most fragile youth seeking to continue their education.

One of our high school partners in GEAR UP and the 12th Year Campaign shared a story about how many challenging steps can exist in the verification process. A student was selected for verification. High school staff helped him obtain the requested tax transcript thinking that would resolve the issue. Weeks later an additional verification request asked for the student’s W-2 from work at a fast food restaurant two years earlier. Like most high school students (and probably many Americans), he had no idea how to go about getting a tax form from a former employer and didn’t understand that he hadn’t worked for the nationally recognized chain but for another corporation that was the franchisee. High school staff helped him navigate to the franchisee’s corporate office to get his W-2. There were additional requests for more information even up until a few days before he was able to enroll in a community college with a financial aid package.

WSAC is committed to better understanding and helping to resolve the challenges caused by the verification process. However, we do all of this work on the College Bound Scholarship and 12th Year Campaign with just a few staff positions. The budget pending in our state legislature does add an additional position to our work. But it is not a fair partnership to ask states, high schools or colleges to compensate for what is clearly a broken and counterproductive verification process.

Making the most of our investments to support low income students

Many state and federal programs that do not have the word “education” anywhere in their title can support educational success among the low-income populations they serve. Better alignment across all these programs with state and federal financial aid programs can significantly help students meet the total cost of enrolling in higher education programs. Washington already uses

the free and reduced price lunch system to support a more student-friendly enrollment process in our College Bound program.

WSAC is working with our sister state agencies that manage the Washington Medicaid, WIC, SNAP, TANF and childcare subsidy programs to understand how we can collaborate on our shared goals of success for the state residents we all serve. The issues under discussion are broad ranging but do include cooperating at a program operation level to help, for example, both young people and adults in Medicaid households to maximize state and federal financial aid for college. We are also building on an existing body of work at many campuses to maximize student enrollment in all public support programs for which they are eligible. We believe that states can build coordinated systems to do this rather than rely on random individual supports.

Americans don't live their lives in the silos of government programs. We can, and must, make the different investments work together to help all Americans succeed in the educational pathways that help them achieve their dreams.

Closing

Washington is an active partner with the federal government in both the money and the work that needed to support educational success for all Americans. We in Washington know that we have a lot to do to make our state a fully supportive environment for all students. We know we have to invest more and work harder and smarter. And, respectfully, so does the federal government.

Our state has adopted an ambitious goal that 70% of Washington adults in the first half of their career (25-44 years old) should have a post-secondary credential. This would be a big step up but it would create enormous benefit for the people, families, employers, communities and regions of our state. Many states across the country have adopted similar ambitious goals.

In order to achieve these goals, we must overcome many obstacles that stand in the way of access and success to higher education. These obstacles are particularly severe for low-income families, students of color, first generation students and most adults seeking their first post-secondary credential. We will not achieve our goals without significantly increasing educational attainment among lower income students of all ages, including working adults.

Too often, the higher education debate focuses on tuition and fees that are the nominal price tag for college. The cost of going to college is much more than that. College takes time. For most Americans, that is time taken away from their ability to contribute to their household's basic needs for a place to live, food, transportation and more. We will not significantly increase educational success without understanding and meeting those essential needs.

Both states and the federal government need bold solutions and new investments to put college within reach for working families. As the Committee works on the historic reauthorization of the Higher Education Act, I would recommend four specific proposals for your consideration:

1. Simplifying the FAFSA and verification process by transferring tax information more seamlessly for applicants
2. Connecting students with all of the sources of financial support that might be available to support their financial needs, including means-tested benefit programs available at the federal, state, and local levels
3. Increasing the overall investment in federal financial aid like Pell, SEOG, and Work-Study, and making it easier for students to access these programs
4. Leveraging the federal investment to get states to provide additional support for higher education and conduct additional outreach and support of FAFSA completion through a state-federal partnership.

Washington state will do its part to help address the needs students face, but it needs a partner here in the other Washington.

Michael P. Meotti
Executive Director, Washington Student Achievement Council

Michael P. Meotti was appointed by Governor Inslee in February 2017 to serve as executive director of the Washington Student Achievement Council (WSAC). WSAC is the state's higher education agency, plays a key role in higher education policy and manages the state's financial aid programs, college readiness programs and the college savings programs GET and DreamAhead.

Prior to WSAC, Meotti served as commissioner of the Connecticut Department of Higher Education and Executive Vice President and COO of the Connecticut Board of Regents for Higher Education. Meotti previously served as President of United Way/211 of Connecticut which managed programs connecting families to childcare, children's healthcare, birth-to-three programs, substance abuse and mental health services and public assistance programs.

Meotti was a Higher Education Fellow at the Education Design Lab in Washington DC, a member of the advisory panel to California Competes on Governor Brown's Awards for Innovation in Higher Education, and advised the NGA Center for Best Practices on its Talent Pipeline Policy Academy.

Meotti was a corporate lawyer in the financial services industry for almost twenty years. He earned his J.D. and his B.S. degree from Georgetown University.

Michael P. Meotti, Executive Director, Washington Student Achievement Council
March 12, 2019

Building a stronger state-federal partnership

Washington is a full financial partner with the federal government as measured by total spending on need-based grants to state residents enrolled in public and private institutions. Washington ranks second among all states on undergraduate need-based aid per FTE student.

Partnering in the work to support access to financial aid

Washington invests in an extensive body of work to support access to financial aid. Historically most of our work focuses on supporting high school students. We are launching a new initiative to help returning adults.

Our College Bound Scholarship (CBS) engages 7th and 8th grade students in a simplified enrollment process based on forms pre-populated with data provided by school districts. The 12th Year Campaign provides technical assistance and outreach materials to 197 partners (165 high schools and 27 community organizations). Senator Murray recorded a Public Service Announcement urging students to apply for financial aid.

Struggling with the added complexity of the FAFSA verification process

Federal data shows 31% of FAFSA applications in Washington filed in 2017-2018 were selected for verification. The data system won't allow us to determine how many of these applicants never received financial aid, but the stories from our frontline partners paint a horror story. The verification system is very difficult for members of tribal nations, foster youth and others.

Making the most of our investments to support low income students

WSAC is working with our sister state agencies that manage the Washington Medicaid, WIC, SNAP, TANF and childcare subsidy programs to understand how we can collaborate on our shared goals of success for the state residents we all serve.

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We recommend four specific proposals for your consideration:

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