



March 9, 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

The Honorable Thad Cochran, Chairman
Senate Committee on Appropriations
The Capitol, Room S-128 Washington, DC 20510

The Honorable Patrick Leahy, Vice Chairman
Senate Committee on Appropriations, Minority
The Capitol, Room S-146A Washington, DC 20510

Dear Chairmen Frelinghuysen and Cochran and Ranking Members Lowey and Leahy:

On behalf of the National Association of Student Financial Aid Administrators (NASFAA), I write to urge you to include a provision in the FY 2018 omnibus spending bill that would address a major issue impeding students from accessing critical student aid dollars. 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.

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 prohibits students from authorizing financial aid offices to release FAFSA information to student-approved outside entities like scholarship providers, government agencies, and private student loan providers that need this information in order to make financial aid awards.

For example, postsecondary students rely on outside scholarships from private organizations, foundations, and donors to fill the gap between the cost of college and the federal, state, and institutional financial aid they receive. These awards are often need-based and, to determine need, scholarship providers obtain student consent to request certain data directly from the student's financial aid office. For many years, schools have provided that information directly to

outside scholarship providers after having obtained written permission from students to do so. Now, under new verbal guidance, students must provide the requested information to each scholarship provider themselves, 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 collectively made over many years to simplify the financial aid process for students. We have tried repeatedly over many months to address this issue with ED without success because ED believes it is bound by Higher Education Act privacy protections found in 483(a)(3)(E). At this point, the only viable option is for Congress to address this issue by including a provision in the forthcoming omnibus bill that would allow the sharing of FAFSA data — with written consent from a student — the way the process worked prior to this new interpretation. We propose amending 20 U.S.C 1090 by adding, at the end, the following language:

Notwithstanding the limitations on sharing data described in this paragraph, an institution of higher education may, with explicit written consent of the applicant, provide such information as is necessary to an organization designated by the applicant to assist the applicant in applying for and receiving financial assistance for the applicant's education at that institution. An organization that receives information pursuant to the preceding sentence shall not sell or otherwise share such information.

This is a commonsense solution that ensures students can 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.

We look forward to working with you on this important issue as the appropriations process moves forward.

Regards,



Justin Draeger, President & CEO