

UNDER EMBARGO

**United States House Committee on Education and Labor
Higher Education and Workforce Investment Subcommittee**

A Major Test: Examining the Impact of COVID-19 on the Future of Higher Education.

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TESTIMONY OF

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WRITTEN TESTIMONY

Introduction

Chairwoman Davis and Ranking Member Smucker, thank you for the opportunity to share my views with the subcommittee about the Impact of COVID-19 on the Future of Higher Education.

My name is Scott Pulsipher, and I have served as the President of Western Governors University since April 2016. WGU is the nation's leading nonprofit, online competency-based university. We were founded in the late 1990s to boost workforce competitiveness as the United States moved into the digital age, and to provide learning opportunities to students who were underserved by current offerings: working learners, rural populations, those who had started college elsewhere and not completed, low-income students, first-generation students, and students of color. We cultivate a student-first environment by combining incredible faculty with state-of-the-art technology and data to improve learning outcomes, graduation rates, employment, and overall student wellbeing.

WGU Background

Talent is universal. Access to opportunity is not. Work, family obligations, military deployments, financial constraints, lack of college readiness, mental and emotional barriers—these are just a few of the things that keep today's would-be students from pursuing the credential that could benefit their careers, change their lives, and transform their families. WGU was built to address these needs, through its online and on-demand competency-based learning model, workforce-relevant curriculum, and personalized, student-centric faculty support.

We believe in the inherent worth and ability of every individual and the transformative power of education. WGU was created by a bipartisan group of 19 governors to expand access to education while developing programs that closely align with employer needs and a learning model that supports adult learners. WGU was built by states to complement and supplement state systems and bring innovative, flexible, and attainable educational opportunities to individuals who historically have not been well served by the higher education system.

Now in our 24th year, we have 121,000 students and over 190,000 graduates across all 50 states. WGU is providing affordable, high-value degrees to underserved learners at scale and has demonstrated the efficacy of online, competency-based learning.

WGU proudly serves a diverse student body, located in nearly every county in all 50 states and in military installations overseas, with 70 percent of our students from one or more underserved populations (first-generation students, low-income earners, students of color, or rural residents). WGU exists to help students access opportunity; our programs are focused on four highly in-demand areas: business, information technology, K-12 education, and health professions. Our students include more than 25,000 working nurses, and many of our students have been serving on the frontlines of the COVID-19 pandemic. In addition, WGU is one of the nation's top providers of STEM educators and is the only institution to offer teacher licensure programs in all 50 states.

WGU's focus is on student success, attainment, and value. We work with Gallup annually to survey our alumni regarding their success and wellbeing after graduation. In Gallup's most recent survey, 77 percent of WGU alumni respondents reported that their WGU education was worth the

cost, compared to the national average of 38 percent. Of alumni who responded to a Harris survey, 97 percent reported that they have recommended WGU to others.¹ Referrals from alumni and current students are a major factor in maintaining our nearly 20 percent year-over-year enrollment growth. More than half of WGU's new enrollments come from referrals by students, employers, and other institutions.

Affordability is one of the most significant issues affecting higher education, and its impact has been magnified by the current pandemic. At WGU, we are committed to ensuring that cost is not a barrier to the opportunity that education creates. We do this by keeping our tuition and fees affordable, charging a flat rate that includes learning materials and allows students to complete as many courses as they are able for the same cost. Our model is self-sustaining on average tuition and fees of less than \$7,000 per year. We work closely with our students to encourage responsible borrowing; as a result, only 57 percent of WGU undergrads borrow to pay for their education, compared with 69 percent nationally, and among those who do take loans, their average debt at graduation is less than half the national average.

Our model is designed with the student at the center. WGU has worked tirelessly to build a structure that meets students where they are, including working to earn appropriate approvals through various governmental and accreditation processes. Competency-based education allows students to study and learn on their own schedules, moving quickly through what they know and taking more time to focus on what they still need to learn. Because it is all online and asynchronous, students can log in to study and take exams 24 hours a day, 7 days a week. While they study online, WGU students are not alone: Every student is assigned a Program Mentor, a faculty member who guides and supports them from enrollment to graduation.

A key focus for WGU today is finding ways to improve access and attainment to ensure that there are real pathways to opportunity for all. We are researching and developing best practices for serving underrepresented, underserved, and poorly served populations, not just at WGU, but across the higher education system. WGU Labs is working with other institutions to take insights from WGU data and use those to support and guide other institutions as they develop programs and protocols to support at-risk or underserved students. We will create the tools, services, access points, and personalization mechanisms necessary to adequately address the needs of underserved students as we increase the representation of those populations among WGU entrants and completers.

WGU unapologetically advocates for the transformational changes needed to build an education system that makes opportunity work for everyone. We want every learner—not just every WGU student—to have the pathways to opportunity that education provides. We have much work to do. We are committed to knocking down the barriers—physical, emotional, developmental, regulatory, or technological—that keep learners from pathways to opportunity.

¹ WGU Annual Report 2019;
<https://www.wgu.edu/content/dam/western-governors/documents/annual-report/annual-report-2019.pdf>

The Path Forward for Higher Education During and After COVID-19

COVID-19 was not built into any student's plans nor any institution's strategies for 2020. It represents an immediate crisis for higher education, creating challenges for enrolled students and traditional institutions. The pandemic is also dramatically reshaping the workforce, driving an urgent need for reskilling and upskilling, and exacerbating pre-existing equity issues. But let me be clear, COVID-19 also accelerates disruptive trends that have long been at play in higher education, the consolidation of higher education institutions, including a move to online learning, and a transition from a time-based, credit-hour approach to learning to a skills-based talent pipeline.

Our fundamental belief is that higher education policy should be student-centered. Policymakers should consider first and foremost the needs of students as they navigate pathways to opportunity in a time of economic disruption, and the barriers that exist for students in a post-COVID world. We will never return to "normal" as we knew it pre-pandemic, and it is not the job of policymakers to roll back industry transitions that have been accelerated by COVID-19 but were fundamentally in place pre-pandemic. Policymakers have a critical role to play in understanding what students need from higher education now and in the future, and to shaping policy that facilitates that future.

COVID-19 is a crisis of acute and devastating dimensions. Its impacts on students demand an immediate response to address the needs of workers and learners within our current framework, including needs for funding, digital access, reskilling, and mobility.

But policymakers should also be concerned with a longer time horizon: COVID-19 has accelerated changes that have long been at play in higher education, changes with which our current regulatory and funding framework for higher education is not prepared to cope. This moment represents a once-in-a-lifetime reshaping of the landscape of education and work, and both workers and learners need policymakers to develop a new framework for human capital investment in this country.

Immediate Impact

The pandemic has devastated businesses and left the economy reeling. Unemployment rates continue to skyrocket, reflecting the millions of families who have lost jobs and wages. The Federal Reserve reported that 19 percent of adults lost a job or had their hours reduced in March 2020. The impact was even more alarming for lower-income workers, with 39 percent of workers with incomes below \$40,000 reporting job loss in one month during the height of the pandemic economic closures.²

The COVID-19 crisis also dramatically illuminated longstanding societal inequities driving economic instability for people of color and low socioeconomic status. The CDC reports that death rates from COVID-19 are disproportionately high for Black and Hispanic populations.³ Unemployment rates disproportionately impact communities of color as well: April 2020 data from the U.S. Department of Labor shows that while the white population has a 14.2 percent

² Report on the Economic Well-Being of U.S. Households in 2019, with supplemental data from April 2020; <https://www.federalreserve.gov/publications/report-economic-well-being-us-households.htm>

³ <https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/racial-ethnic-minorities.html>

unemployment rate, it soars to 18.9 percent for Latinos and 16.7 percent for African Americans.⁴ The ability to work from home and weather the pandemic is also more viable for those with higher education levels: 63 percent of workers with a bachelor's degree or higher have been able to work from home, while only 20 percent those with a high school diploma or less have had the same opportunity.⁵ What was an economic and an educational divide has now translated into disparate health impacts, as those that are structurally shut out of education now bear disproportionate risk of COVID-19 infection and death.

The role of higher education has never been more essential, and it is vital that we structure policy that conforms the higher education system to this role. The effect of COVID-19 on students is also stark as the loss of family income is contributing to expected decreases in new and current student enrollment. Current students also have unique pressures such as navigating unanticipated online learning experiences, potentially without adequate broadband or sufficient support; attempting to choose fields of study that will provide them with a sound return on their investment at a time when unemployment is at a record high; and mapping out a plan of study on a fixed academic calendar at a time when they may only be able to reasonably predict their financial and time capacity a week at a time. Students need education more than ever, but the circumstances of COVID create additional barriers to many pathways to opportunity.

Immediate Response

The COVID-19 pandemic has increased the urgency and flexibility with which we must respond to students' needs. The support students need from policymakers are not necessarily different from before COVID-19, but the crisis creates urgency around the need for innovation. For example, students always deserved access to flexible and high-quality education; however, the sudden and dramatic shift to online learning necessitates strong **broadband** and **digital literacy** initiatives. Developing solutions to connect all students must be prioritized.

As COVID-19 shutdowns devastate personal finances and economies, Americans need smart, quick solutions to get back to work. Common-sense affordability initiatives like **providing aid for short-term credentials** and **degree options aligned to job opportunities** must be elevated as policy priorities. With a pre-pandemic shortage of classroom teachers, innovative pathways are vital to filling workforce gaps and meeting the needs of today's students across the educational continuum, especially as classrooms are shifting to online and blended learning to accommodate the current crisis.⁶ Nurses are also in highly in-demand in a pandemic crisis, exacerbating previously projected shortages.⁷ Essential workers such as these need flexibility and mobility to cross state boundaries to assist in the emergency response to COVID-19. **Accelerated licensure reform** is imperative to addressing the current crisis and ongoing shortages, while underscoring the bureaucratic hurdles that are out of sync with the needs of the fluid, modern workplace.

⁴ <https://www.washingtonpost.com/business/2020/05/09/jobs-report-demographics/>

⁵ Report on the Economic Well-Being of U.S. Households in 2019, with supplemental data from April 2020; <https://www.federalreserve.gov/publications/report-economic-well-being-us-households.htm>

⁶ <https://www.epi.org/publication/the-teacher-shortage-is-real-large-and-growing-and-worse-than-we-thought-the-first-report-in-the-perfect-storm-in-the-teacher-labor-market-series/>

⁷ <https://www.aacnursing.org/News-Information/Fact-Sheets/Nursing-Shortage>

Students' finances have been massively disrupted by COVID-19 and its economic impact. The economic impacts have directly affected working adults, who are more likely to be learning online—but online learners have had limited ability to access support through the CARES Act. Policymakers should **extend emergency aid to online students**. Policymakers should be prepared to support students with simplified access to additional funding. It is also imperative that students be empowered to use **Title IV Funding for High Quality Certificates and Microcredentials** to access reskilling opportunities, many of which do not require full degree programs.

Simplifying access to financial aid, particularly at a moment when high school students aren't able to sit across the table from their guidance counselor, is essential to maintaining access to financial aid for low-income students. Policymakers should consider **FAFSA reform and simplification**.

Thinking Beyond the Fall:

How COVID-19 Accelerates Change in Higher Education & What Congress Can Do

COVID-19 accelerates three critical pre-existing trends in higher education. First, higher education has been an industry under mounting financial pressure and consolidation risk. Second, the adoption of technology and online modalities in higher education has been increasing. Third, the increasing skill intensity of the economy is driving demand for lifelong learning. Each of these trends has a long history and was well in place before COVID-19, but today each has been accelerated. The time is now for policymakers to adapt to these new realities in higher education.

At WGU, we recognize that the future of education and work that we once only talked about is now here. As we move as one, individual institution to answer the call of this critical moment and continue serving students, we believe that Congress can help guide policy to limit the impact of these disruptive trends on students and help them prepare for the significant disruption to the labor market. Students need Congress to smooth students' pathway from failing institutions to institutions where they can complete their education. As adoption of online learning grows, Congress should prioritize a policy framework that ensures quality by prioritizing student outcomes and should invest in the digital infrastructure needed to get every learner online. And as the demand for education quickens, Congress should examine how it can modernize and broaden its approach to human capital investment.

As Congress undertakes this important work, we would offer the following foundational principles: 1. It will be vital to address immediate needs during a pandemic while planning for the long-term success of learner-centered higher education. 2. Students should be prioritized over institutions and should be the focus of legislative solutions. 3. Results should be expected and measured as a part of any legislative initiatives.

1. Business model pressure and industry consolidation

Student loan volume is \$1.542 trillion as of the end of the second quarter, which represents a tripling of student debt over just the past 13 years.⁸ The Federal Reserve reports that two out of every 10 borrowers were behind on their payments prior to the pandemic.⁹ The burden of student

⁸ From the Federal Student Aid Portfolio Summary, accessed Jul 1, 2020;

<https://studentaid.gov/data-center/student/portfolio>

⁹ <https://www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-student-loans-and-other-education-debt.htm>

debt evidences significant racial disparities upon graduation that widen from there: Four years after graduation, Black students on average owe twice as much as white students.¹⁰

Despite the significant financial burden that students carry, the typical college is itself financially marginal. Prior to the pandemic, Moody's had rated the higher education sector a negative outlook, predicting a rise in the closure rate, weaker enrollments over the next 10 years, and "sluggish" net tuition revenue growth.¹¹ The traditional model of higher education is high-cost, not just high-price. The place-based model of learning is highly enrollment-sensitive, meaning that enrollment shortfalls result in big losses to the bottom line. Enrollment shortfalls were a risk pre-COVID, but they are more likely now, particularly as students hesitate to enroll given perceived health risks and the uncertainty about what fall 2020 will look like.

COVID-19 has placed particular financial pressure on place-based learning environments, exacerbating pre-existing conditions around pricing, enrollment, and financial sustainability. We have seen a rise in college closures since the pandemic, and more should be expected. Finances are a major concern for most college presidents: 96 percent of those surveyed reported that they were very or somewhat concerned about unbudgeted expenses due to COVID-19.¹² Only 11 percent believe their institution can return to normal operations within 12-18 months.¹³ College closures create massive disruptions for students' lives and livelihoods, and their likelihood of completing college.¹⁴

The Policy Response: Protect Students

We know, from the hundreds of closures our industry has seen over recent years, that our response to institutional closure is inadequate and leaves students stranded. In an environment in which we are expecting more closures, it is essential that Congress establish policies that protect students financially and make it as likely as possible that students will complete their education. Over the long term, however, the federal government should not take on the role of sustaining models that do not serve students well and that cannot sustain themselves, in a sector that was experiencing significant disruption long prior to the pandemic.

Policymakers should consider improved financial transparency for institutions to better identify struggling institutions and prepare teachout plans where they may be needed.¹⁵ Steps should be taken to ease requirements for students who are transferring from failing institutions and give them safe passage to institutions where they can complete their degrees.

¹⁰ <https://www.brookings.edu/research/black-white-disparity-in-student-loan-debt-more-than-triples-after-graduation/>

¹¹ <https://www.aascu.org/meetings/hegrc19/Shaffer.pdf>

¹² <https://www.insidehighered.com/news/survey/college-presidents-increasingly-worried-about-perceived-value-degrees>

¹³ *ibid*

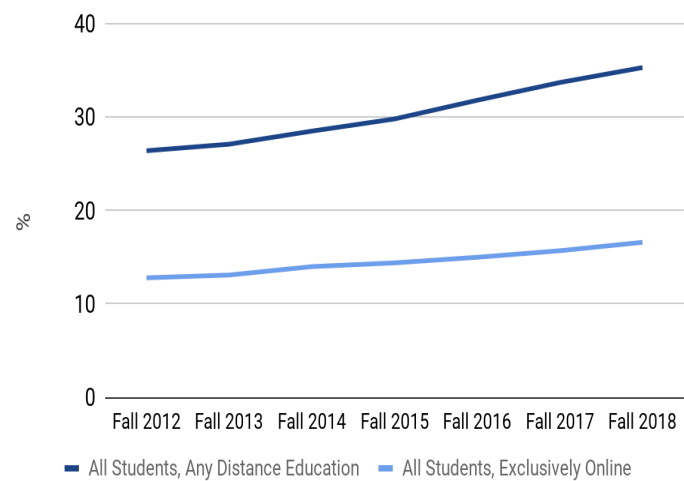
¹⁴ <https://www.chronicle.com/interactives/20190404-ForProfit>

¹⁵ <https://bipartisanpolicy.org/blog/college-closures-in-the-wake-of-covid-19-a-need-for-forward-looking-accountability/>

2. Technology Adoption Increasing and Online Modalities Becoming Dominant

Online learning initially proliferated in the 1990s, and adoption has slowly grown over time as bandwidth has improved. Online learning is a particularly critical modality for learners who are also working and caring for families. For instance, in Fall 2015, only 1.9 percent of financially dependent undergraduate students were learning exclusively online, in contrast with 27.1 percent of students who were financially independent and married with children.¹⁶

Pre-COVID Online Learning Adoption, source NCES



COVID-19 has forced nearly every institution of higher education in America to begin to offer their programs online. As place-based institutions plan for the fall with COVID cases currently on the rise, online programs are increasingly part of their plans. Six months ago, online was “increasingly mainstream” in higher education. During spring semester 2020, it was ubiquitous, and it is likely to be dominant in the fall as well.

The Policy Response: Foster Innovation and Prioritize Student Outcomes

The current policy approach to higher education leaves the industry highly regulated as to process, but unaccountable to students as to outcomes. The primary lens through which we should evaluate an institution’s quality is the value it creates for students. Taxpayers should not continue to support institutions that leave students indebted and unqualified for the world of work. We strongly advocate for **protecting student consumers and ensuring quality** by creating transparency around student outcomes.

We should also **support innovation, especially for nontraditional students**. Overall, our system is highly inefficient, graduating less than 60 percent of first-time, full-time students within six years. For nontraditional students or underserved populations, student success is even lower. It is clear that we need to embrace new models that have the potential to serve students better, *precisely because* they depart from traditional models that do not serve students well.

We should also fully authorize innovative models that are proven to create opportunities for students and address workforce needs. It is time to **encourage and incentivize competency-based education** (CBE). CBE models have been proven for decades; they propel students into workforce success with a record equal to or better than that of traditional institutions. CBE models should not just be allowed, they should be encouraged, and all institutions should be able to adopt them.

¹⁶ https://nces.ed.gov/programs/digest/d18/tables/dt18_311.22.asp

3. Increasing Skill Intensity of the Economy is Driving Demand for Lifelong Learning

The pace of economic change has quickened in the digital age. In 2016, the World Economic Forum wrote that the pace of change was “shortening the shelf-life of employees’ existing skill sets.”¹⁷ This is true even for those individuals who don’t change jobs: the skills demanded are evolving even for the same roles. In 2018, the World Economic Forum estimated that by 2022, no less than 54 percent of employees would require significant upskilling.

This pace of change is structurally misaligned with how we have designed the interface between learning and work. The idea that a college degree prepares students for a 50-year career has long been outdated; instead, we must think of learning as a lifelong process that intersects with the workforce continually. Education cannot be taken as a vaccine, inoculating workers against change at the beginning of their careers. Instead, we must consider it to be a vitamin, taken as regularly as the skill intensity of the labor market demands.

COVID-19 has accelerated dramatically the need for mid-career re-skilling and upskilling. The pandemic has created sudden demand for education at unprecedented scale. The past 15 weeks have seen 48 million Americans file for unemployment. Survey data conducted throughout the pandemic shows that over a third of workers expect they would need to change career fields if they lost their job, and would need additional education to do so.¹⁸ But even those who have not lost their jobs—like most of America’s 3.3 million teachers suddenly grappling with how to teach online—are in desperate need of new skills to adapt to the changes that COVID has wrought. Our country’s need for education has never been greater, but this does not fit neatly into mainstream higher education offerings or policy.

The Policy Response: Facilitate the Future of Learning-to-Earning

Degrees are a powerful engine of social mobility, but they are not the solution to every upskilling or reskilling need. We must embrace a new generation of pathways to opportunity including short-duration, competency-based, earn-while-you-learn, on-the-job, and apprenticeship programs that can be expanded rapidly and stack into future opportunities.

Skills are rapidly evolving to be the currency of the labor market, and like any marketplace, the marketplace needs to have agreement on the units of measure and the rules of exchange. Congress must embrace a new framework of investment in human capital to **enable skills-based, market-aligned education**. This framework must include the development of a digital open skills system for American workers and students to align the skills and competencies needed to effectively connect education-to-work. In a time of labor market upheaval, it is of critical importance that job-seekers be able to clearly articulate the value they bring to employers, including learning and skills from both academic and work-based contexts. Congress should facilitate the development of secure, student-owned Learning and Employment Records (LERs) to translate a worker’s full education, skills, and work experience to a record of transferable skills that will open doors to opportunity.

¹⁷ <http://reports.weforum.org/future-of-jobs-2016/skills-stability/>

¹⁸ <https://www.stradaeducation.org/publicviewpoint/#dashboard>

Conclusion

In closing, WGU stands ready, willing, and eager to assist Congress as we reimagine the future of higher education and how it can align better with the needs of today's students. Thank you, once again, for the opportunity to testify before you today. I welcome any questions you may have.

APPENDIX

WGU was founded because students need affordable, flexible learning options that prepare them for careers. Those needs—affordability, flexibility, and successful onramps to careers—are even greater in the time of COVID-19. Students today need *more* affordable options, *more* flexibility to access learning, and *more* opportunities to reskill and upskill into jobs as we transition to the new economy. We will continue to be relentless in asking what students need, in continuously improving our offerings to students and in pushing for equitable policy solutions designed around today’s students as we renew the American economy and design a more prosperous, equitable post-COVID world.

The challenges we face are indeed great, but not insurmountable. We would respectfully offer the following recommendations for the committee’s consideration, as you delve into the pandemic’s numerous effects on higher education.

Equity and Access: Now more than ever, all Americans need equitable access to postsecondary education to restart or transition careers. Unfortunately, we all know that the status quo does not work for everyone. The education system that has long been plagued by racial and other inequities must be addressed and WGU is committed to doing so. Earlier this year, WGU received a grant from the Bill and Melinda Gates Foundation that will enable WGU to strive for real equity in both access and outcomes for students of color, ethnic minorities, and low-income students. We believe that these efforts should be replicated, and their recommendations implemented at scale across the higher education sector. We appreciate and support Congressional efforts to date to help close these gaps, but there is much more work to do, including investing in the research and evidence-based practices that are known to help end these inequities, revamping financial aid to ensure that students of color and other underserved populations have access to funding that meets their needs, and lead efforts to collect and share better data, transparently measuring our collective progress and informing best practices.

Bridging the Digital Divide: There is significant need for both direct access to broadband today as well as long-term solutions for the future to further education for adult learners and higher education. While broadband was once treated as a luxury, it is now critical infrastructure. The impact of COVID has exacerbated the lack of access and quality broadband within some populations and communities. Unfortunately, all too often impacting already underserved communities, which widens the gap in social mobility and economic equity. High-speed internet infrastructure is a critical foundation upon which healthy, prosperous communities are built, and yet more than 21 million Americans lack reliable high-speed internet (FCC). And of those, 14 million individuals live in rural areas. Connectivity is especially important for the 48 million Americans that are unemployed and will need tools to reskill or upskill. Broadband is critical for education, health care, and work. As an online institution, we understand well this barrier to student success and are working to break it down.

We have entered into a partnership with the National Governors Association to address the critical issue of broadband access for students, specifically adult learners and those seeking postsecondary education opportunities. This effort will identify barriers to access, provide collaborative solutions,

and inform policy makers of the necessary changes needed to close the digital divide. States, federal partners and national organizations are engaged. We support the swift enactment of policies and funding commitments necessary to expand digital access and infrastructure to meet the demands of today's students.

Enable Skills-Based, Market-Aligned Education: Lifelong learning must become the standard. Prior to the pandemic, too many Americans were met with a disconnected system as they tried to gain the credentials and work experience they need to be successful in the workforce. They were faced with student and human resources information systems that are often unable to recognize—and value—earned credit and work experience as they move across and between educational institutions and employers. The pressing need to fix this disconnect through skills-based education and aligned hiring practices can serve to remove the blockers that prevent qualified talent from accessing opportunity. COVID-related labor market disruptions, including the move to remote work, are opening labor markets geographically while placing an increased premium on skills and job readiness.

At WGU, we are working with a range of private sector partners to build out an open sourced skills framework that improves consistency of both learning outcomes and hiring practices for greater value and alignment to students. The federal government should adopt the standards and technologies needed to facilitate frictionless communication of verified skills, credentials and experiences among individuals, employers, and educational institutions, along with federal funding to facilitate this necessary transition to skills and competencies for all institutions. Lastly, students would benefit from a common narrative transcript (referred to as the Learning and Employment Record) based on learning objectives, skills, or competencies acquired and the federal government should endeavor to bring about the widest possible adoption of these types of interoperable learning records. These innovative priorities championed by the federal government would ensure that *all learning* is valued and documented for students, along with seamless transfer of skills and credits among institutions and employers.

Reimagine Financial Aid:

Provide Title IV Funding for High Quality Certificates and Microcredentials: The federal government must allow federal Title IV and other student financial aid for high-quality, short-term, market-aligned credential programs that stack into lifelong learning opportunities. Academic institutions and employers should be given greater flexibility to innovate, experiment, and improve educational delivery models through high-quality, short-term, market-aligned credential programs alongside traditional education programs.

These programs can create critical pathways to immediate opportunities and can address pressing labor force needs. For instance, prior to COVID-19, WGU partnered with SEIU to address the half-million worker shortage that the state of California is expected to face over the next ten years. Our partnership aims to graduate 10,000 students through a Medical Coding Career Accelerator Program in the state. These types of programs are even more essential now.

FAFSA Simplification: As we work to close equity gaps and bridge structural inequities for students, creating a framework and application system for student aid that is accessible for all students is incredibly important. Filling out the Free Application for Federal Student Aid (FAFSA)

is often a starting point for students to understand that financing their education is possible. Meanwhile, millions of college students do not fill out the application each year, forgoing billions of dollars in financial assistance. As COVID-19's reach continues to devastate personal finances across the board, the student struggle is clear. Nearly 250,000 fewer returning students from low-income backgrounds submitted the FAFSA this cycle, and completion rates among high school seniors have fallen as well. The federal government can provide direct student aid to millions of students, by streamlining the process to amend income levels within the application system and creating automatic triggers for student aid based on income tax information and unemployment filings. As we work to close equity gaps and bridge structural inequities for students, creating a framework and application system for student aid that is accessible for all students is incredibly important.

Student Debt Relief: As the CARES Act began to address some concerns around student debt during this time crisis, more can be done for students with ongoing needs. Congress should act to extend borrower relief from federal student loan repayment, as well as expanding emergency aid for all college students adversely impacted by the novel coronavirus.

Emergency Aid for Online Students: WGU is fortunate that our online academic delivery model was relatively uninterrupted during COVID-19. Nonetheless, these are unprecedented and challenging times for all students, including ours, many of whom are facing financial challenges and struggling to make ends meet. Unfortunately, the CARES Act Higher Education Emergency Relief Fund is not available for students who were enrolled exclusively in distance education prior to the novel coronavirus emergency. This oversight resulted in students attending institutions such as WGU from being eligible for emergency aid to meet their unanticipated life circumstances. We know this is true because we had over 11,000 applications from our students for \$500 in emergency aid to meet such basic needs as housing, food, transportation, and childcare. Not surprisingly, the demand was greater than the supply; the \$1.75 million in funds allocated from the WGU Board of Trustees were depleted in one week, funding only 32 percent of the applications we received. Our students, like their counterparts at traditional institutions, cite needs such as housing and food insecurity as their most pressing needs to continue their education. Considering the current economic uncertainties, online students have urgent needs for indirect costs of attendance, such as food, housing, technology, childcare, and healthcare, and would greatly benefit from additional gift aid, such as was made available to many other students under the CARES Act. Congress has the opportunity to right this wrong by ensuring emergency aid funds are provided to all students.

Fully Embrace Competency-Based Education: WGU advocates for full recognition of Competency-Based Education (CBE) in federal policy frameworks so that all institutions of higher learning would have the opportunity to pursue this method that allows for a more student centric focus. CBE has a long, proven record for achieving excellent outcomes for students. Now is the time for Congress to provide a clear and smooth pathway to incentivize and accelerate the use of CBE. for any institution of higher learning to pursue this method of education that aligns more closely with student and workforce needs.

While the Higher Education Reconciliation Act of 2005 provided for direct assessment programs to participate in Title IV, the implementing regulations required direct assessment programs to be approved by accreditors and then also approved by the Secretary of Education, whereas all other

programs are eligible for financial aid based solely on accreditation by a recognized accreditor. There must include a clear accreditation pathway for competency-based education (CBE) programs and eliminate barriers for new programs that measure learning rather than time. In fact, these programs should be explicitly encouraged. If these programs are approved by a recognized accrediting agency, they should be eligible for Title IV participation just as any other new program.

Support Innovation, Especially for Nontraditional Students: Around 80 percent of today’s college students are considered nontraditional, meaning they are over age 25, work full time, and support families. To meet the needs of these students for flexibility and a more personalized learning experience, many institutions have developed, and are continuing to develop, innovative learning and academic delivery models. These models, including competency-based education, are expanding educational opportunities for nontraditional students, but current law and regulation restrict this innovation. The credit hour is a useful example; innovations that challenge the primacy of the credit hour (i.e., learning measured by time spent in a classroom) are subject to limited duration demonstration projects, to the forced transposition of acquired skills and abilities to credit hour equivalents in order to satisfy FSA eligibility requirements, and to other unnatural requirements such as “regular and substantive interaction” between faculty and students—all of which significantly impact the cost and motivation to innovate. We encourage the adoption of provisions that welcome and support innovation by providing a clear process for establishing the efficacy of these results-driven learning models and a clear pathway to federal financial aid eligibility.

Protect student consumers and ensure quality: In the middle of this pandemic, and unprecedented investments being made in education, it becomes critical, now more than ever, that students are protected. At WGU, we believe that programmatic-level outcomes must be reported, published, and included as part of periodic accreditation reviews so students can make informed decisions up front. These metrics include graduation rates, student debt rates, default rates, earnings, and market demand for graduates.