CAPACRAO: Federal Update

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Meet the Presenters



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AACRAO Update



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Join Process and Managing Rosters

- Join Process for Individuals

The individual simply completes the online application.

- Primary Contact Roster Management

The Primary Contact (PC) will still have access to update and add to the roster and remove individuals who have left their institution.

- Lead Contact

Lead contacts help gather data through surveys and other methods, and ensure their institution's and profession's voices are represented in national research and policy efforts. Primary Contacts have access to update lead contacts within the roster management system. Visit Account Roles for more information.

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Peer Mentor Program



PEER MENTORING

The inaugural cohort was 122 members (61 pairs) with a dedicated AACRAO Exchange Community for collaboration and Mentor Monday Tips

- Participants liked being paired up instead of having to find someone
- Participants appreciate the weekly suggestions for discussion (Mentor Monday)
- 76% Agree the program is developing them professionally for their current role and responsibilities.
- 71% Agree the program is helping them feel more engaged and a sense of belonging
- 68% Agree the program is supporting them toward their goals for career development.

Cohort applications will open in September and February.

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Learning Mobility: Projects in the Pipeline



Evolution of the record

CLR /LER implementation projects

Mapping skills & competencies to learning outcomes

Digital Wallets



Transfer & Recognition

Equitable policies and practice

Credit for Prior Learning

Non-credit to credit pathways

Accreditation & Transfer

Transfer designation

Dual Enrollment

International Mobility & EDGE



Common language & shared principles

Nomenclature Committee

Ecosystem Principles Framework

Accelerator & Infuse grants

Coalition building

GR/ Advocacy Efforts

UNESCO projects



Technology

Re-engaging with SIS vendors

Engagement with Standards Bodies

National Technology Audit

Common Good infrastructure

Global Digital Record Ecosystem



Preparing Members

Designing curricula

Updating the C&P framework

Convergence

Reimagining the Tech/Transfer meeting

Updating publications

Development of Admissions & EM Use cases and guidance

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Federal Update



- FY 27 Education Funding
- Legislative Updates
- Federal Data Reporting
- Accreditation Update
- Solomon Amendment Guidance
- International Student Issues
- IRS Tax Exempt Status
- Census Rule
- Updates on ED
- Wrap-Up and Questions

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Fiscal Year 2027 Education Funding

- Continuing resolution through December 11, 2026. Stops OMB from finalizing rules regulating grant awards until then.
- House passed a Labor, Health and Human Services, and Education Appropriations bill out of committee on June 9, 2026. No floor vote has occurred and there is nothing in the Senate.
- Both chambers are out of session until November 9, 2026. Upon return, members have just ~14 legislative days to pass appropriations bill, making another CR likely

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Legislative Updates - Credit for Prior Learning Act

- The Credit for Prior Learning Act (S. 4897) was introduced in the Senate on June 24, 2026 and referred to the HELP Committee. There is no House companion bill at this time.
- The legislation would:
  - Allow for an increase to a learner's Cost of Attendance of up to $2,000 per award year for reasonable costs, including test fees, associated with the assessment of prior learning
  - Require reporting of (disaggregated by race, income and Pell-Grant status):
    - The number of students receiving CPL
    - Average number of credits awarded per student seeking CPL

Legislative Update - MATCH Act of 2026

H.R. 8183 defines talent marketplace, credential registry, and learning and employment record and establishes a grant program to create workforce data systems and talent marketplaces.

- Grant Program through the Department of Labor for state agencies to apply for grants of up to 3 years for:
  - Developing a workforce longitudinal data system or accelerating the adoption of systems already in use
  - Research and labor market data improvement activities
  - Establishing or enhancing talent marketplaces
  - Developing guidelines, policies, and security measures to ensure compliance with privacy laws
  - Creating or participating in data exchange using standards-based jobs and employment data

Legislative Update - No Aid for Ghost Students Act

H.R. 7892 codifies a fraud detection system that the U.S. Department of Education has recently implemented.

Passed the House, but is stalled in the Senate HELP committee.

- ED must establish an identity fraud detection system for the FAFSA.
  - ED must review each submitted application for identity fraud.
  - ED must notify the applicant and institution on the application if the applicant is subject to additional identity verification.
  - School may not disburse federal financial aid unless they verify the identity in person or by live video.

Federal Data Reporting

Admissions and Consumer Transparency Supplement (ACTS)

- Court case still in process with injunction for certain states and schools
- Expect future reporting cycles

GE/FVT

- Due Oct 1, 2027; Final Deadline January 15, 2027
- More than 1,000 institutions are missing data as of October 8, 2026
- ACE/ED webinar on November 10. Register here.

Student Tuition and Transparency System (STATS)

- Programs whose graduates do not earn more than a typical high school student (bachelor's) or a typical bachelor's degree (Master's) are at jeopardy of losing funds
- NFR published July 1, 2026. Transition from GE/FVT to STATS- July 1, 2027
- STATS training available here.

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Accreditation (AIM) Rulemaking Update

Accreditation Rulemaking is in process. Final Rule sent to OMB on 10/19

- Final Rule expected Oct 30; implementation date- July 1, 2027.
  - 2,814 comments received. AACRAO comments here.
- Impacts how institutions evaluate transfer of credit
  - Cannot deny transfer credit based on the institution or its accrediting agency
  - Provide reason for denial (should be based in academic standards or curricular requirements)
  - Allow appeals process
  - Additional disclosures

Lessons learned from the NPRM

- Trying to address long standing inequities and inconsistencies in how institutions evaluate credits earned at other institutions accredited by an agency recognized by the Department
- Regulations are intended primarily to undergraduate credit since most student mobility and credit transfer occurs at that level; disclosures still apply across board
- “Nothing in these proposed regulations, however, requires an institution to disregard its own academic standards or curricular requirements.”
- “Institutions retain full responsibility for determining academic comparability, including consideration of subject matter, learning outcomes, sequencing, lab requirements, program coherence, and other legitimate academic considerations.”
- The intent of the timeline requirement is to “prevent institutions from charging nonrefundable deposits and creating financial liability before students receive information about whether their academic credits will transfer.” Nonrefundable deposits are included in this definition.

Department of Education

Department of Education continues to use Inter-Agency Agreements (IAA) to reduce ED's footprint

- Student Privacy Policy Office and Office of Civil Rights to move to Department of Justice. (announced 6/16)
- Reports are circulating that the Department will try to make the Federal Student Aid (FSA) office an independent agency by October 2027, rather than its previously initiated IAA with the Department of Treasury.

Department of Education has proposed regulations to EDGAR to make it easier to make political decisions about grants. The Senate has previously halted this at the OMB level.

The Secretary of Education issued a call to action for institutions related to transparency, affordability, and free speech. AACRAO released a statement from the Executive Director on the issue.

IRS Tax Exempt Status

Department of Treasury has proposed new regulations around tax-exempt status for IHEs and K-12 schools.

- Would only apply to private institutions (full impact could be roughly 18,000 institutions)
- Remove a private institution's tax-exempt status if they "favor certain racial preferences in admissions, facilities, programs, scholarships, and financial assistance."
- Impacts include:
  - Institution paying (more) taxes
  - Loss of tax-deduction for donations

Comment Period open until: November 3, 2026
Effective Date (likely): May 31, 2027

Census Rule

The U.S. Census Bureau published a proposed rule on September 10, 2026 that would enact two majors changes:

- To include lawful permanent residents within the apportionment base, while excluding from the apportionment base illegal aliens and aliens whose legal status is less durable and indefinite in length than lawful permanent resident status.
- Prohibit questions about race and ethnicity or sexual orientation on the decennial census short-form questionnaire or any questionnaire used for purposes of the enumeration.

AACRAO joined a community letter raising concerns about how this would impact campuses and the communities they serve

Solomon Amendment Drop-List Guidance



- AACRAO published new guidance on providing drop-lists to military recruiters
- Institutions are only required to provide student recruiting information for individuals who fall within the regulation's definition of "enrolled."
- This can include someone who stopped attending during or after the most recent term.
- It excludes older dropouts who are no longer enrolled in the most recent, current, or next academic term.
- Ex: list would include a dropout from the most recent academic term (Fall 2025) or the current academic term (Spring 2026), but nothing earlier

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International Student Issues: Duration of Status

- DHS issued final rule July 17, 2026; effective date September 15, 2026
- Lawsuit challenging rule filed on August 18, 2026. Nationwide preliminary injunction issue on September 14, 2026. Govt. appealed shortly afterwards.
- Congressional Review Act (S.J.Res 213) filed 9/17/26. Currently has 16 cosponsors

- Ends Duration of Status for F, J, and I non-immigrants
  - Creates a fixed admission period not to exceed 4 years
- Students and exchange visitors who need additional time will have to apply directly to USCIS for an extension
- The grace period for post-completion has been shortened from 60 to 30 days
- Students who entered the U.S. before the effective date should still be treated under D/S

International Student Issues: OPT, CPT, and H-1B

OPT

- DHS is considering a $70K fee for initial OPT and then $30K for any subsequent OPT for each F-1 nonimmigrant student
- A similar $100K fee for H-1B was struck down
- Rule is expected to be published tomorrow. Public comments will be due Nov. 9th

CPT

- In August, DHS limited CPT to only programs required for degree completion. Lawsuit filed 10/5 alleging DHS unlawfully restricted CPT. No court action yet.

H-1B

- In August, the administration proposed a $103,265 fee for H-1B visas in hiring
- Follows a similar $100K fee that was struck down in June by a federal judge for being an unconstitutional tax
- Rule is not yet final. Will likely have 30-day comment period once published

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Predictions



- **Election Results**
- **Last Rulemaking of Administration**
- **Court Cases**

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Ways to Get Involved

AACRAO Advocacy Center

- Send a letter to your members of congress on a given issue
- Identify your federal and state elected officials
- View legislation that AACRAO is tracking at both the federal and state levels
- View election info. including dates, eligibility requirements, registration info.

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Ways to Get Involved

- Hill Day
  - Typically occurs in July each year. Applications generally open in March/April
- Public Policy Advisory Group (PPAG)
  - Applications open in February each year
- GR Quarterly Webinar
  - Wednesday, November 11 at 3pm EST
- AACRAO Exchange: Advocacy Community
- AACRAO Transcript



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JOIN THE CONVERSATION

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