



DAILY BRIEFING

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NCHER Annual Conference: Don't Forget to Register, Early Bird Rate Expires Next Week

The NCHER Annual Conference is scheduled for June 6-8, 2022 at The DeSoto in Savannah, Georgia. This important conference is open and designed for everyone across the higher education finance industry, and will provide attendees with ample opportunities to network, learn, and take information back home that they can use in their current jobs. The [draft program](#) centered around the theme of “Embracing the Future-Together” includes 10 pre-conference meetings and conference sessions on issues of importance to the membership. So [register](#) today and take advantage of the Early Bird registration rate that expires next week. Also, be sure to make your hotel reservations [online](#) or by calling (800) 239-5118. When calling the hotel, be sure to mention the NCHER 2022 Annual Conference in order to guarantee a room rate of \$182 per room, per night. We look forward to seeing you in-person in Savannah!

CHC: President Indicated Support for Action on Federal Student Loan Debt Forgiveness

Several media outlets have been reporting that President Joe Biden has been meeting with several Members of Congress where he has indicated that he was prepared to extend the current federal student loan payment pause, scheduled to end on August 31st, and also to potentially take executive actions to cancel some federal student loan debt.

The President's reported comments were made during a private meeting with members of the Congressional Hispanic Caucus (CHC), after which Rep. Tony Cárdenas (D-CA) said the President was "incredibly positive" about the idea of cancelling at least \$10,000 in student loan debt per borrower. During the 2020 campaign, President Biden supported a plan to cancel \$10,000 in student debt. Earlier in the week, the CHC published a [letter](#) requesting that the U.S. Department of Education extend that pause on student loan debt payments through the end of the year, in addition to cancelling \$10,000 in student loan debt to support aspiring Hispanic professionals. Related, on Monday, White House Press Secretary Jen Psaki was asked a question about the potential cancellation of student debt, she [responded](#): "And what we have said is that he would make a decision about any cancellation of student debt before the conclusion of that pause on student loans, but I don't have anything to preview for you at this point in time."

For more coverage, see these articles from [The Washington Post](#) and [CBS News](#).

House Financial Services Committee Holds Hearing with CFPB Director Chopra on Semi-Annual Report

Today, the House Financial Services Committee held a hearing titled, "Consumers First: Semi-Annual Report of the Consumer Financial Protection Bureau (CFPB).

In her opening statement, Chairwoman Maxine Waters (D-CA) said that she is pleased that the CFPB is finally back on track. She commended the Bureau's efforts to crack down on repeat offenders, saying that serious consequences and structural reforms are needed for these companies. Chairwoman Waters specifically mentioned that the Bureau should closely monitor student loan and mortgage servicers. She also commended the Bureau for examining junk fees that financial institutions charge customers. In her opening statement, Rep. Ann Wagner (R-MO) said that, under Director Rohit Chopra, the CFPB was out of control, following an ideologically driven regulatory regime. She said that not only is the Bureau regulating by enforcement, but it is also regulating through the issuance of press releases. She said it is a waste of time to respond to requests for comment from the Bureau since final action is predetermined.

In his [prepared statement](#), which was substantially the same as the prepared statement before the Senate Banking, Housing, and Urban Affairs Committee, Director Chopra said that, in his first six months as Director, he shifted the CFPB's enforcement efforts away from investigating small firms and instead focused on repeat offenders and large firms. He said that the Bureau has begun to "dramatically increase its issuance of guidance

documents, such as advisory opinions, compliance bulletins, policy statements, and other publications.” He also said that the Bureau is looking at ways to lower barriers to entry in the markets for consumer financial services and products to increase the pool of firms competing.

During the question-and-answer portion of the hearing, Chairwoman Waters commended Director Chopra for his efforts to crack down on companies that have repeated consumer abuses and urged him to make sure that large companies are held accountable. She asked about the Bureau’s plans for dealing with repeat offenders. In response, Director Chopra said the Bureau would apply the law equally to both large and small entities. He said they would be looking at stricter sanctions, including limitations. Both Rep. Ann Wagner (R-MO), Rep. Bill Posey (R-FL), and Rep. Alex Mooney (R-WV) asked the Director how he was ensuring that the cost of increased regulation is not passed along to consumers, and whether he conducted a cost-benefit analysis on each action; Director Chopra gave vague responses. Rep. Al Lawson (D-FL) asked Director Chopra whether he supported efforts to increase regulations on debt collection; the Director said that he supported efforts to protect small businesses. Rep. Bill Huizenga (R-MI) and Rep. Andy Barr (R-KY) criticized Director Chopra for “regulating by press release,” including this week’s release that the Bureau will examine nonbank institutions or fintechs for consumer fraud; Director Chopra repeated that the Bureau will use dormant authority to examine organizations including some private student loan lenders. Rep. Alma Adams (D-NC) said that she is concerned about student loan debt, and agrees that the U.S. Department of Education has to have a comprehensive plan in place for federal student loan forgiveness before the federal payment pause ends on August 31st. Director Chopra said that it is important that student and parent borrowers need to know what is going to happen on debt forgiveness before repayment begins later this year. Rep. Adams asked Director Chopra what the Bureau is doing to support students eligible for the Public Service Loan Forgiveness Program (PSLF); the Director said that the Bureau is conducting examinations to identify problems with PSLF and making sure that borrowers are not deceived by and receive accurate information from their student loan servicers. Rep. Cindy Axne (D-IA) asked Director Chopra what can be done to protect students who were defrauded by proprietary colleges and universities; the Director said that the Bureau examines the higher education space as part of its work. Rep. Nikema Williams (D-GA) asked Director Chopra for more information on the Bureau’s efforts to collect data on alternative credit measures, especially for those individuals who have student loan debt, and stated she has introduced legislation that would remove delinquent and default-related matters once a borrower has rehabilitated their student loan; the Director said that he was also concerned about the impact that this issue has on

credit scores.

For more coverage, including an archived webcast of the hearing, visit the [committee website](#). A background memo prepared by the Democratic staff of the House Committee can be found [here](#).

BLS Publishes Updated Data on College Enrollment Rates and Work Activity

On Tuesday, the U.S. Department of Labor's Bureau of Labor Statistics (BLS) released [data](#) that highlights findings on school enrollment and work activity of recent high school and college graduates. According to the report, BLS found that among 20- to 29-year-olds who received a bachelor's degree in 2021, 74.8 percent were employed, up from 67.3 percent in 2020. The Bureau attributed this increase in employment to the growth of the nation's economy as the result of the COVID-19 pandemic. The report analyzed data for five groups in particular: recent high school graduates and dropouts, all youth enrolled in high school or college, all youth not enrolled in school, recent college graduates, and recent associate degree recipients. BLS noted that, among recent high school graduates, the college enrollment rate for women was almost 15 percent higher than the enrollment rate for men. For this group, the Bureau also found that the labor force participation rate for recent dropouts (39.1 percent) continued to be much lower than the rate for recent high school graduates not enrolled in college (66.9 percent). BLS data demonstrated that the unemployment rate for the group capturing youth enrolled in high school or college decreased relative to last year. Next, BLS noted that the labor force participation rate for youth not enrolled in school changed very little over the course of the year. In terms of recent college graduates, BLS data showed that women were more likely to be employed than men, but the overall unemployment rate for this group remained relatively unchanged compared to last year. Finally, BLS found that the unemployment rate for recent associate degree recipients decreased from 15.8 percent in 2020 to 4.5 percent in 2021; this group was twice as likely to have completed an academic program than a vocational program.

U.S. Department of Education News

For today's *Federal Register*, click [here](#).

The following announcement was posted to the Federal Student Aid's Knowledge Center

Website:

- [\(DL-22-03\) Record Submission Due Date for 2020–21 Direct Loan Program Year Closeout](#)
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General News

[The New York Times](#) publishes a column asking the most important student loan debt question: will the President cancel debt, or won't he? Some advocates believe that the White House's repeated extensions of the federal student loan repayment pause, now set to end August 31st, could force his hand on loan forgiveness.

[The Hill #1](#) and [The Hill #2](#) report that Sen. Joe Manchin (D-WV) is sketching out his vision on what a scaled-down version of the Build Back Better Act looks like – focusing on inflation and debt reduction - as the party eyes a second run at moving a major policy bill through the reconciliation process. But Democrats are playing down the chances for an imminent deal.

[National Review](#) says that the plan being mulled by the Biden Administration to cancel and forgive up to \$1.6 trillion of federal student loan debt is a brazen act of class warfare by the affluent against everyone else. It is a politically, and cosmically, unjustifiable robbery that offers yet more rope for the decadent and totally indefensible American college system to become even more decadent and indefensible.

[Vox](#) reports that the President has a young voter problem and examines why his support among Gen Z and millennials is collapsing.

[Fox Business](#) reports that U.S. Secretary of Education Miguel Cardona recently acknowledged the Biden Administration has more work to do on federal student loan forgiveness amid new moves to get incarcerated people back into good standing with their student debt.

[KFIZ News](#) reports that scammers are taking advantage of recent changes to federal student loan repayment programs in order to confuse borrowers, tricking them into falling for a variety of schemes. The Better Business Bureau warns of loan repayment scams.

[Fox Business](#) reviews how 529 college savings plan funds can be used to pay back a student loan.

[University Business](#) reports that the fact cheating on online exams rose during the COVID-19 pandemic may not surprise higher education leaders, but the steepness of the increase may be startling. Now, Meazure Learning's ProctorU is sharing its data as a warning to those who would preserve academic integrity.

[Higher Ed Dive](#) reports that Ohio Gov. Mike DeWine recently signed legislation making permanent a program awarding \$2,000 grants to students who return to class within five years of stopping out of postsecondary education.

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