



DAILY BRIEFING

Monday, August 15, 2022

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NCHER Daily Briefing Publishing on Abbreviated Schedule in August

The *NCHER Daily Briefing* will be published on an abbreviated schedule consisting of today and Thursday as Congress has begun the traditional month-long August recess. We will resume our regular publication schedule once the U.S. House of Representatives and U.S. Senate return from their break.



Weekly Rundown

The NCHER Weekly Rundown, which includes the latest information on important events in Washington, DC, is available today and can be downloaded from the [NCHER website](#).

Department of Education Begins Notifying Colleges of Reinstatement of Federal Student Aid Per “Fresh Start”

Last week, the U.S. Department of Education began notifying some institutions of higher education that certain defaulted borrowers are now eligible for federal student aid, and able to receive new federal student loans, under its previously announced “Fresh Start” initiative. “Fresh Start” aims to ensure that all borrowers receive a fresh start on repaying their student loans by eliminating the impact of delinquency and default and allowing them to reenter repayment in good standing. According to *Politico*, while some colleges and universities have been notified that federal student aid eligibility has been reinstated, it is not clear if all borrowers in default such as those with Federal Family Education Loans are eligible to take out new federal student loans. The notices received by some institutions reportedly state that default status does not disqualify a borrower from receiving additional aid for one year after the federal student loan payment pause – currently set to expire on August 31 – ends. During a recent event with the Student Borrower Protection Center, Education Under Secretary James Kvaal provided a few more details on “Fresh Start” saying, “We will restore students' access to financial aid so they can go back to school and complete their degrees, earn higher wages and succeed in life.”

Senate Democrats, House Republicans Weigh in on Department of Education’s NPRM on Borrower Defense to Repayment and PSLF

On Friday, Senate Democrats, led by Senate Health, Education, Labor, and Pensions Committee Chairwoman Patty Murray (D-OR), submitted a [public comment letter](#) in response to the U.S. Department of Education’s Notice of Proposed Rulemaking that revises the borrower defense to repayment rule, Public Service Loan Forgiveness (PSLF) program, closed school discharge, Temporary and Permanent Disability, and other changes to the federal student loan program. The letter expressed the senators’ support for the proposed regulations on borrower defense to repayment saying, “We strongly support the establishment of a single and streamlined borrower defense standard that better captures the full scope of institutional misconduct relevant for a borrower defense claim.” On PSLF, the senators praised the Department for expanding eligibility for the program, but proposed several changes such as the following: “While we are encouraged

by the Department's necessary proposal to count certain periods of deferment and forbearance toward PSLF, we urge you to count all such periods toward PSLF to reduce unnecessary complexity, address administrative failures by student loan servicers, and fulfill the program's goal of alleviating the burden of federal student loans for borrowers in public service." The letter also indicated that the senators support the inclusion of for-profit early childhood education providers as PSLF-eligible employers and support extending the application deadline for the current limited-waiver of the PSLF program. Separately, Senate Health, Education, Labor, and Pensions Committee Ranking Member Richard Burr (R-NC) and House Education and Labor Committee Ranking Member Virginia Scott (R-NC) sent a [public comment letter](#) criticizing the Department's proposed regulations, arguing that the changes are outside of the Department's executive authority. In the letter, the Republicans raise specific issues with the changes to the borrower defense to repayment rule and PSLF, writing, "Congress did not give the Department a blank check to spend federal taxpayer dollars ad infinitum."

U.S. Department of Education News

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

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

- [Comment Request: Generic Clearance for Federal Student Aid Customer Satisfaction Surveys and Focus Groups Master Plan](#)

General News

[The Chronicle of Higher Education](#) reports that nearly 1.3 million students have disappeared from American colleges and universities during the COVID-19 pandemic, raising alarms that the declining enrollment projected to arrive a few years from now is already here.

[Higher Ed Dive](#) reports that private nonprofit institutions offer a disproportionately high number of the master's degree programs whose graduates have high debt and low earnings, according to a recent analysis from the Urban Institute.

[Inside Higher Ed](#) reports that U.S. Secretary of Education Miguel Cardona is calling on

colleges and universities to change how they approach student success. He unveiled a new grant program for minority-serving institutions and criticized elite universities at an event held last week. Related, [The Chronicle of Higher Education](#) reports that Secretary Cardona called college rankings “a joke,” and took aim at selective colleges’ obsession with them, as he made a broader push on Thursday for closing stubborn equity gaps in the nation’s college graduation rates.

[Inside Higher Ed](#) reports a new survey by Morning Consult concludes that younger generations are less likely to trust higher education and college and university administrators will have to work harder to earn their trust.

The Center for American Progress released a [blog post](#) discussing the five things that the public should know about federal student loan debt cancellation. Student debt cancellation would help people of all ages, reduce the racial wealth gap, and help borrowers weather turmoil in the student loan system.

[The Washington Post](#) reports on how the federal student loan payment pause, which is slated to expire on August 31st but is sure to be extended by the Biden Administration, has affected Latinx millennials.

[CNBC](#) reports that major changes are coming to the Public Service Loan Forgiveness Program in an effort to improve student loan forgiveness for borrowers in public service.

[Forbes](#) reports on how inflation is impacting student loan debt.

[Business Insider](#) examines three reasons why some highly paid professionals like doctors and lawyers still have seven figures in student debt that they cannot pay off.

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