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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 continues its 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](#).

Education Secretary Cardona Appears on “Meet the Press,” Says News on Student Debt Coming “Within the Next Week or So”

Yesterday, Education Secretary Miguel Cardona appeared on “Meet the Press” to discuss the Biden Administration’s education agenda as students head back to school. After discussing the nation’s teacher shortage, “Meet the Press” Host Chuck Todd asked the Secretary if the U.S. Department of Education was planning to extend the federal student loan payment and collection pause, which expires in just nine days. “From day one, we have been focused on making sure that we’re protecting our students and borrowers,” Secretary Cardona said. “We have been talking daily about this. I can tell you that the American people will hear within the next week or so from the President and the Department of Education on what we’re going to be doing around that.” When pressed further, the Secretary said that he did not “have any news to announce today.” The current pause on federal student loan payments, interest, and collections expires next Wednesday, August 31st, and the White House has previously stated that it would make an announcement on any payment pause extension and federal student loan forgiveness in advance of the deadline.

For more coverage, see this article from [CNN](#).

House Education and Labor Committee Ranking Member Foxx Says She Has No Opposition to Continuing as Top Republican

Politico is reporting that House Education and Labor Committee Ranking Member Virginia Foxx (R-NC) told reporters that she is still on track to seek a waiver from the Republican leadership that would allow her to serve as the top Republican on the committee and its next chair if the party takes the majority of the U.S. House of Representatives in the upcoming November elections. Currently, House Republican Conference rules limit the number of terms that a member can serve as Chair and/or Ranking Member of a committee to six years. “That’s the track I’m on,” Ranking Member Foxx said. “Right now, I have no opposition, and I have a lot of support for it [referring to her desire for a waiver].” Last year, there was discussion that House Republican Conference Chairwoman Elise Stefanik (R-NY) was interested in the committee position, but she has decided to run for reelection to her leadership post.

White House OIRA Begins Review of NPRM Creating New IDR Plan

Last week, the White House Office of Information and Regulatory Affairs posted an [update](#) revealing that it had begun a review of the U.S. Department of Education’s Notice of Proposed Rulemaking creating a new income-driven repayment plan. The proposed plan was discussed during the negotiated rulemaking session involving the borrower defense to repayment rule, the Public Service Loan Forgiveness Program, and other changes to the federal student loan program, but it was separated from that package for unknown reasons. During recent conversations, the Department has indicated that it intends to release the rule later this summer and implement the new plan by next year.

ACE Sends Letter to Department of Education Urging Extension of PSLF Waiver

Last week, the American Council on Education (ACE) sent a [letter](#) to Education Secretary Miguel Cardona urging him to extend the time-limited waiver for the Public Service Loan Forgiveness (PSLF) program that expires on October 31st, saying that borrowers will face repeated changes in eligibility, causing confusion and a further erosion of the public trust in the program. “The current waiver has been effective in addressing the shortcomings of the underlying statute,” ACE President Ted Mitchell said. “Prior to the waiver, a fraction of applicants received loan forgiveness under PSLF, and many borrowers felt justifiably misled when applications were denied for reasons that were not easily understood.” ACE said that, as an alternative to extending the current waiver, the Department could immediately implement its proposed rules expanding eligibility for the program if they

are finalized before November 1, 2022.

Department of Education Denies Appeal by ACICS to Remain Federal Accreditor

On Friday, the U.S. Department of Education [announced](#) that it had denied an appeal filed by the Accrediting Council for Independent Colleges and Schools (ACICS) to remain a federally recognized accreditor for federal student aid purposes. ACICS had appealed an earlier ruling by a senior Department official that terminated ACICS's recognition. The action stemmed from a February 2021 report by Department staff that found ACICS failed to comply with required criteria, including the monitoring of compliance of institutions of higher education and inadequate administrative capability. Following the termination of ACICS's accreditation, the accreditor appealed the decision. Deputy Secretary Cindy Marten reviewed the case, denied the appeal, and issued the final determination on ACICS's appeal. Under federal regulations, within 30 days, all ACICS-accredited institutions will be required to submit teach-out plans, provide disclosures to students on the loss of federal aid eligibility and take other steps.

"Recognition by the Department must be reserved for agencies that adhere to high standards, just as accreditation by agencies must be reserved for institutions and programs that adhere to high standards," Deputy Secretary Martin said. "The regulations provide for conditional recognition for up to 12 months, the kind of latitude ACICS seeks on this matter, when an agency will remedy an instance of noncompliance in that time period. However, ACICS has already had multiple opportunities to achieve full compliance. ACICS was found noncompliant with 34 C.F.R. § 602.15(a)(2) as far back as 2016. Despite its professed improvements, the agency remained out of compliance in 2018, at which time it was given another opportunity to reach full compliance. Its continuing failure to reach full compliance with this criterion alone is a sufficient basis to terminate ACICS' recognition."

For further coverage, see these articles from [Higher Ed Dive](#) and [Inside Higher Ed](#).

Sen. Scott Introduces COLLEGE Act, Creates Risk-Sharing Where Colleges Responsible for Paying Back Loans for Defaulted Borrowers

Sen. Rick Scott (R-FL) recently introduced the COLLEGE [Changing Our Learning, Loans,

Endowments, and Graduation Expectations] Act, which is aimed at increasing accountability for colleges and universities by making them responsible for paying back some of the federal student loans for borrowers who default. Under the measure, an institution would be responsible for paying 1 percent of the loan balance of any students in default within the first three years when their loans have entered repayment, though the rate jumps to 2 percent in year two and raises to 10 percent of the balance after a decade. Sen. Scott said that “forcing universities to have accountability for student debt provides a powerful incentive to actually prepare students for careers – instead of encouraging mountains of debt and degrees that don’t lead to jobs after graduation.” The legislation also includes several other proposals such as requiring the U.S. Department of Education to post common sense data for public colleges and universities such 6-year graduation rates, cost to graduate, and job or advanced degree placement and requiring the Department to collect and report on how schools and their students perform. It also calls on colleges and universities to create new federal cost-match financial aid awards based on the size and growth of their endowment funds. The legislation has been referred to the Senate Health, Education, Labor, and Pensions Committee for further consideration.

Debt Collective Announces Group of Borrowers Who Refuse to Restart Payments on Their Federal Student Loans

Last week, the Debt Collective [announced](#) that 50 borrowers who collectively owe more than \$6 million in federal student loan debt will not make their payments should their payments resume in September. The organization cited several of the borrowers have student loan balances of more than \$300,000. “The 50 Over 50 is part of our broader national debt strike,” the progressive organization tweeted. “These 50 borrowers are going public to highlight the destructive impact of student debt on older Americans, folks often erased from conversations about the student debt crisis. None of these student debtors hold less than \$10,000—leaving every single older striker still in the red should President Biden follow through with a limited cancellation plan.”

U.S. Department of Education News

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

The following announcements were posted to Federal Student Aid’s Knowledge Center website:

- [\(APP-22-17\) 2023–24 Application Processing System Specifications for Software Developers \(August 2022 Draft\)](#)
 - [\(GENERAL-22-60\) NSLDS Professional Access – Additional Information About the Modernized Website #5](#)
 - [\(OPE-22-01\) U.S. Department of Education Terminates Recognition of Accrediting Council for Independent Colleges and Schools \(ACICS\)](#)
 - [\(GENERAL-22-59\) Appendices A-F \[2022-2023 Federal Student Aid Handbook\]](#)
 - [\(APP-22-16\) 2022–23 Federal School Code List of Participating Schools \(August 2022\)](#)
 - [Comment Request: Agency Information Collection Activities: National Student Loan Data System \(NSLDS\)](#)
 - [Annual Updates to the Income-Contingent Repayment \(ICR\) Plan Formula for 2022-2023 William D. Ford Federal Direct Loan Program](#)
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General News

[Inside Higher Ed](#) reports that President Joe Biden has yet to deliver on his campaign promise to forgive at least some federal student loan debt. Doing so would be a big win for key voting blocs heading into the midterms, but some are hoping for more forgiveness than others.

[Bloomberg](#) reports that Larry Summers, President Emeritus of Harvard University and former Treasury Secretary, argued against “unreasonably generous student loan relief” because it is spending that “raises demand and increases inflation.”

[The Center Square](#) reports Jason Furman, a professor at Harvard University and former Chair of President Barack Obama’s Council of Economic Advisors, says that forgiving student debt “benefits recent college grads and hurts most everyone else, both rich and poor.”

[CBS News](#) reports on three reasons that student and parent borrowers should get a private student loan.

[NPR](#) reports that several Historically Black Colleges and Universities are building a new

prison-to-college pipeline.

[U.S. News and World Report](#) provides seven strategies to students and families on how to get out of loan debt.

[The Chronicle of Higher Education](#) reports that some students are struggling with basic needs as they return for the fall semester and colleges and universities are reacting by tapping 'benefits navigators.'

[University Business](#) reports on the standouts from Money's top 50 Liberal arts rankings - early career earnings and low cost after grants make these institutions competitive beyond their academic distinction.

New York Governor Kathy Hochul [announced](#) the launch of a \$150 million expansion of the popular Tuition Assistance Program, which will now provide additional funds to approximately 75,000 students who are pursuing their degree part-time.

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