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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.

GAO Releases Report on COVID-19 Relief Funding, Discusses Difficulty in Restarting Student Loan Repayment

Last week, the U.S. Government Accountability Office (GAO) released a report titled COVID-19: Significant Improvements Are Needed for Overseeing Relief Funds and Leading Responses to Public Health Emergencies. Since the onset of the pandemic, GAO
has released a series of COVID-19 reports that have provided analyses of broad federal efforts to respond to the pandemic and support U.S. businesses and residents, resulting in 246 total recommendations for improving federal operations. Of interest to the NCHER membership, this report includes an appendix on student loan repayment, which contains the latest information on the U.S. Department of Education's plans to transition borrowers back into repayment in May. According to the report, GAO estimates as many as 26.6 million borrowers will need to reenter repayment when the pandemic-era benefits expire. In order to assist in the restart process, GAO said that the Department created a communication plan for federal student loan servicers to follow, and that the plan will rely on a combination of emails, the Department's website, and other outreach channels like social media and mobile applications. The report said that the Department also plans to deliver specialized assistance to borrowers at risk of delinquency, borrowers in default, and borrowers previously enrolled in auto-debit payments.

According to GAO, about half of all federal student loan borrowers were identified as at-risk of becoming delinquent when payments resume in three months. The Department is currently missing about 25 percent of defaulted borrowers' email addresses. Under the current plan, borrowers must confirm that they want to continue automatically paying their loans with auto-debit; however, as of the end of 2021, only 3.3 million of 5.1 million borrowers who were previously enrolled in auto-debit had stated their desire to continue with automatic payments. To ease the return to repayment, GAO says that the Department plans on temporarily not reporting a borrower's missed payments to credit rating agencies. For a limited time, the Department is also allowing borrowers wishing to enroll in income-driven repayment plans to self-certify family size and income over the phone. For more coverage, see this article from Yahoo.

**Alliance for Research on Regional Colleges Launches Metric for Identifying Rural Serving Institutions**

Today, the Alliance for Research on Regional Colleges unveiled a report that outlines a new metric to determine rurality beyond a college's location. The alliance identified 1,087 rural-serving institutions (RSIs) using the system, which includes 46 percent of all public, four-year institutions and more than half of all public, two-year colleges. The report provides insights into these colleges and universities, as well as the students and the communities they serve. In almost every sector, the report found 35 percent or more of the RSI student body are people of color. It also revealed that roughly one-third of Historically Black Colleges and Universities were RSIs, as are 18 percent of Hispanic-Serving Institutions, 93 percent of Tribal Colleges and Universities, and 94 percent of
Native-enrolling (nontribal) institutions. The research also found a disproportionate number of economically distressed counties are home to RSIs, with RSIs comprising 83 percent of postsecondary education institutions located in low employment counties and more than two-thirds of postsecondary institutions located in persistent poverty counties. “RSIs are important educational access points for low-income students, adult learners, and those from marginalized racial backgrounds, and they are critical to regional economic development, as many RSIs are the largest employer in their region,” said Andrew Koricich, the project’s principal investigator. “These institutions have deep connections to their communities, and this project will help those stories to be told.”

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:

- **(GENERAL-22-06) Deadline Reminder: Perform Mandatory SAIG Software Upgrade and Install EDconnect Security Patch by Feb. 20, 2022**
- **(GRANTS-22-01) Federal Pell Grant Program Reconciliation**
- **2022-23 Award Year Deadline Dates for Federal Perkins Loan, Federal Work-Study, and Federal Supplemental Educational Opportunity Grant Programs**

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**Member News**

Trellis Company announced that David Schwanke, CPA has been appointed Chief Financial Officer, effective March 1, 2022, and will oversee the company’s finance and accounting operations. Most recently, Mr. Schwanke served as Executive Director of the Utah Higher Education Assistance Authority, where he oversaw the agency’s financial operations for 27 years. He is a higher education finance veteran who is well-known and respected across the industry.
General News

House Education and Labor Committee Republicans released a blog post saying that falling college enrollment is not a crisis and that a baccalaureate degree is not the only pathway to postsecondary education.

The Hill publishes a column reporting on a new national survey that found Americans are not only dissatisfied with the current state of federal student loans, but that student loan debt has not burdened all borrowers equally.

Forbes publishes a column reporting that, if there is $50,000 of federal student loan cancellation, 36 million people would not owe any federal student loan debt. That is the message that Sen. Elizabeth Warren (D-MA) wants student and parent borrowers to know.

The New York Post reports that many of the politicians who have pushed for student loan cancellation are themselves hip-deep in school debt, federal records reviewed by the news organization show.

Forbes publishes an article reporting that $50 billion in student loans could be eligible for bankruptcy based on a new report from the Student Borrower Protection Center.

Fox Business reviews what is an income-driven repayment plan and how do student and parent borrowers qualify for it.

Forbes reviews what to consider along with the options if a student wants to transfer the responsibility of a Parent PLUS loan and begin making the payments. It is possible to refinance a Parent PLUS loan in the student’s name through a private lender.

Freopp releases a report that reveals a student’s choice of instructional program is perhaps the most important financial decision he or she will make when it comes to postsecondary education.

National Review reports new signs suggest that students are losing patience with COVID-19 restrictions and wondering whether a college education is worth the trouble.

The Chronicle of Higher Education reports that the Coalition for College, a membership
group of 162 institutions with a shared online application, announced a plan to ease the challenge of applying for college. As part of a new partnership, the organization will embed its application process into Scoir, an online college-advising platform used by students at more than 2,000 high schools nationwide.

*The Chronicle of Higher Education* reports on what MacKenzie Scott’s donations have meant to Historically Black Colleges and Universities - how these colleges have used the money reveals what happens when chronically underfunded institutions get access to large unrestricted gifts.

*CNBC* reports that student loan debt hurts the mental health of most borrowers, according to a recent survey.