NCHER Joins Industry Commenting on FCC Proposed Rule on Notice to Callers of Blocked Calls

Yesterday, NCHER joined an industry group that submitted comments on the Sixth Further Notice of Proposed Rulemaking published by the Federal Communications Commission (FCC) in December 2020. As part of the rulemaking, the FCC permitted telephone companies that block calls and their analytics providers to use Session Initiation Protocol (SIP) Code 603 to comply with requirements in the Telephone Robocall Abuse Criminal Enforcement and Deterrence (TRACED) Act to notify callers when a call is blocked. Although the FCC had previously required Voice Service Providers to use only SIP Codes 607 or 608 to provide this notification, the Commission determined that implementing SIP Codes 607 and 608 by the original January 1, 2022 deadline “appears infeasible” at this time. The industry comments asked the FCC to set a firm deadline for mandatory use of SIP Codes 607 and 608 to provide immediate notification.
of blocking. The comment letter stated that the record demonstrates many time-sensitive calls have been wrongly blocked and that, absent use of SIP Codes 607 and 608, the caller cannot obtain the “transparency” and “effective redress” required by the TRACED Act.

CFPB Advisor Addresses NCHER Legislative and Leadership Conference, Discusses Time-Limited PSLF Implementation

Today, NCHER held the second and final day of the Legislative and Leadership Conference where its members heard from federal policymakers on issues of important to higher education finance. During the afternoon session, Andrea Matthews, Advisor to the Director of the Consumer Financial Protection Bureau (CFPB) provided remarks to the conference. In her speech, Ms. Wilson warned the nation’s federal student loan servicers that the Bureau planned to watch closely how the industry implements the U.S. Department of Education’s recent time-limited expansion of the Public Service Loan Forgiveness (PSLF) program, saying that the program was an immediate priority. Ms. Matthews stated that the CFPB had already seen some problems in how loan servicers were communicating with borrowers about the temporary expansion of the PSLF program, which is set to expire at the end of October. Because of that looming deadline, she said that any loan servicing mistakes would create a significant risk of consumer harm. “The stakes here couldn’t be clearer” for borrowers, Ms. Matthews stated, adding that “a servicer that fails to give them accurate and complete information about the benefits of the program, or does not tell them the deadline for action, will be shutting consumers out of the most important consumer benefit to emerge since the program began.” Ms. Matthews also talked about other concerns identified by the Bureau, though she did not name any specific servicing company. “Consumers have reported that they received incorrect information about the scope of the program; followed directions their servicer gave them only to learn later that those directions were inaccurate; or spent hours trying to audit and correct servicer errors in processing their paperwork,” she stated. During the question-and-answer portion of the session, several NCHER members raised concerns that the Bureau’s criticism was more appropriately addressed to the U.S. Department of Education and Federal Student Aid who were in charge of providing guidance to federal student loan servicers and responsible for the program’s complexity. In a later session, Deputy Under Secretary of Education Julie Morgan said she did not see the narrative of bad student loan servicing and felt that the PSLF expansion has been successful.
House Education Chairman Scott Urges Department of Education to Review Everglades College’s Nonprofit Status

Yesterday, House Education and Labor Committee Chairman Bobby Scott (D-VA) sent a letter urging the U.S. Department of Education to reconsider the nonprofit status of Everglades College after the committee found that insiders at Everglades College and its subsidiary, Keiser University, have received millions of dollars in income from services provided to those institutions. The letter describes how the sale of Keiser University to Everglades College and the subsequent conversion of Keiser University to nonprofit status has allowed Dr. Arthur Keiser, the Keiser family, and their related businesses to substantially benefit from Everglades College. The letter then explains why the continued profits that Dr. Keiser, the Keiser family, and their related businesses earn from the operation of Everglades College necessitate a review of the institution’s nonprofit status.

“In the case of Everglades College, the owner and the owner’s family, substantially benefit from the earnings of the institution in violation of the principles of what makes an institution a nonprofit,” Chairman Scott wrote. “Dr. Keiser, his family members, and related businesses have received millions of dollars since 2011 from loan payments, rental properties, and contracts to provide goods and services to Everglades College, including at above fair market values. We request the Department review its previous recognition of Everglades College as a nonprofit institution.”

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:

- (GEN-22-03) 2022-2023 Federal Pell Grant Payment and Disbursement Schedules

General News

Business Insider reports on NerdWallet’s report that found, while income-driven repayment plans are viewed as a "safety net" for borrowers who struggle to pay back their loans, the promise of loan forgiveness after two decades is seldom fulfilled because of high interest rates and high taxes.
Forbes reports that, according to a new CNBC poll, student borrowers think their loans will be cancelled before payments restart on May 1, 2022.

Bankrate reports that federal lawmakers are pushing President Joe Biden to announce mass federal student loan forgiveness plans.

Forbes publishes an article reporting on more analysis in the debate to forgive student loans. Bankrate reviews the process for borrower defense to repayment and how borrowers can get their federal student loans forgiven. The article says that borrower defense to repayment is a federal program that will discharge some or all student loan balances for students who were misled or defrauded by their school.

Inside Higher Ed and The Chronicle of Higher Education report that, without accounting for inflation, state funding levels increased by 6.5 percent year over year in fiscal year 2022 according to the latest report on state higher education funding from Grapevine. This jump is due in part to ongoing federal support, recovering state revenues, and reversals of state funding cuts from earlier in the pandemic.

Yahoo reports that Rep. Alexandria Ocasio-Cortez (D- NY) recently joined 'Influencers with Andy Serwer' to discuss how student loan debt is weighing on the U.S. economy.

Inside Higher Ed reports that a framework developed to identify the riskiest colleges and universities for veterans could be a model for state regulators and accreditors to spot institutions of higher education that could close or harm students.