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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.

Senate Republicans Introduce Legislation Using CRA to Overturn Department of Education’s Federal Student Loan Forgiveness Plan
Today, Senate Health, Education, Labor, and Pensions Committee Bill Cassidy (R-LA) and Sens. John Cornyn (R-TX) and Joni Ernst (R-IA) introduced a resolution of disapproval using authority under the Congressional Review Act (CRA) to reverse the U.S. Department of Education’s federal student loan forgiveness plan and end the suspension of federal student loan payments and interest. The action comes after the U.S. Government Accountability Office’s recent ruling earlier this month that the federal loan forgiveness program and actions related to a previous pause in student loan payments is subject to the CRA, which provides a process for lawmakers to fast track the nullification of recently enacted rules from federal agencies. The resolution of disapproval has garnered 38 total co-sponsors, including Senate Minority Leader Mitch McConnell (R-KY), which is enough to force a vote on the measure under the CRA in the coming weeks. Under the CRA, a simple majority vote would be needed to pass the measure in the Senate, which would require at least two Democratic Senators voting with all Republican Senators. House Education and the Workforce Committee Member Bob Good (D-VA) is planning to introduce companion legislation in the House, with Committee Chair Virginia Foxx (R-NC) expected to co-sponsor it. If the resolution passes both chambers, the President is expected to veto it, and Congress almost certainly does not have the votes to override such a veto. With the fast-track procedures in the CRA, it is a distinct possibility that Senate Republicans could force a vote on the resolution before the U.S. Supreme Court issues its decision on the case on this matter.

For additional coverage, see these articles from CNN and Yahoo News.

Sen. Warren Sends Letter to Department of Education Urging Stronger Accountability for Institutions, Includes Recommendation on Fair Lending

Yesterday, Sen. Elizabeth Warren (D-MA) sent a letter to Education Secretary Miguel Cardona urging him to increase accountability of institutions of higher education in an effort to protect borrowers. “I support the U.S. Department of Education’s continuation to make improvements to the federal student loan program and hold institutions of higher education accountable— including reestablishing the Office of Enforcement in the Office of Federal Student Aid to conduct oversight of bad actors in the higher education industry and withdrawing accreditation authorization for the Accrediting Council for Independent Colleges and Schools due to its repeated failures to fulfill its watchdog role,” the letter says. “The Department, however, should not stop there. As I offer support for your effort to identify low financial value programs that saddle students with mountains
of debt that they have little hope of repaying, I also write to bring to your attention several other areas where the Department can and should strengthen accountability and oversight of institutions of higher education that too often leave students with insurmountable debts.”

The letter from Sen. Warren includes eight recommendations for reform, including the following:

- Ensure that institutions that fall below standards are subject to provisional Program Participation Agreements that set out strong corrective conditions with closely supervised, measurable benchmarks for improvement, and that schools that fail to improve see their Title IV funding revoked.
- Strengthen enforcement of for-profit colleges’ manipulation of cohort default rates.
- Review college conversions to ensure “covert for-profit” colleges are not redirecting funds to benefit private parties at the expense of students.
- Use its authority to protect students and taxpayers and promote accountability by holding for-profit college owners and executives personally financially liable when the colleges they run fail or lie to students who take on massive student loan debts.
- Improve oversight of online program management companies and their incentive compensation arrangements with colleges.
- Conduct more stringent oversight of school accreditors, including terminating Department recognition of accreditors to protect students and taxpayers if necessary.
- Conduct fair lending risk assessments and ensure all stakeholders in the federal financial aid programs are complying with fair lending and civil rights laws.
- Rapidly re-institute and strengthen Gainful Employment rules, and ensure that low-quality programs are swiftly held accountable to prevent further financial harm to students who may end up in low-wage jobs or with debts that are not affordable relative to their actual incomes.

For further coverage of the letter, see this article from Business Insider.

**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:

- Campus-Based XML Schema Version 1.0a

General News

Diverse Issues in Higher Education reports on the praise and criticism of the U.S. Department of Education’s “secret shopper” program that was recently announced to combat fraud at colleges and universities.

The Hechinger Report examines how colleges and universities are raising prices faster on lower-income students.

Inside Higher Ed reports on how family farms may be disadvantaged by the new Free Application for Federal Student Aid or FAFSA, which is slated to be released in December.

MarketWatch reports that there's another looming student loan cliff - the end of the federal student loan repayment moratorium.

Yahoo provides coverage of last week’s House Subcommittee hearing on the Department of Education's federal student loan forgiveness program, which is in limbo, and how lawmakers also discussed colleges’ role in postsecondary education.

Fox Business reports that most Americans support the Biden Administration's federal student loan forgiveness plan.

An online version of this Daily Briefing is available to view and print from the Daily Briefing Section of the NCHER e-Library.