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In Today's Edition

- White House Office of Information and Regulatory Affairs Completes Review of Department of Education's New Regulatory Package on Gainful Employment
- House Education and the Workforce Committee Announces Hearing on Workforce Development Programs
- Federal Reserve Votes to Raise Federal Funds Rate by 25 Basis Points
- Former President Donald Trump Lays Out Plan for Higher Education If He Wins in 2024
- U.S. Department of Education News
- Member News
- General News

White House Office of Information and Regulatory Affairs Completes Review of Department of Education's New Regulatory Package on Gainful Employment

Earlier this week, the White House Office of Information and Regulatory Affairs (OIRA) [completed](#) its review of the federal regulatory package put forth by the U.S. Department of Education in February to reinstitute the gainful employment rule and revise its standards and procedures around financial responsibility, administrative capability, certification, and ability to benefit. With the completion of this procedural step, the Department will publish the proposed rule in the Federal Register for public comment. Once the public comment period closes, the Department will review the comments and

determine if any changes are necessary before issuing the final regulations prior to November 1st, so they can go into effect on July 1, 2024.

House Education and the Workforce Committee Announces Hearing on Workforce Development Programs

Today, the House Education and the Workforce Subcommittee on Higher Education and Workforce Development [announced](#) that it would hold a hearing titled, “Examining America’s Workforce Challenges: Looking for Ways to Improve Skills Development.” The hearing will be held at 10:15 a.m., on Thursday, May 11th, in 2175 Rayburn House Office Building. “Every member of Congress is hearing that employers are struggling to find skilled workers,” said Subcommittee Chairman Burgess Owens. “A skills-based economy is on the horizon, but for America to compete on that global stage, the nation must improve its workforce development system. Skills-based education is not partisan—laws like the Workforce Innovation and Opportunity Act help equip Americans with the tools needed to have meaningful careers, but reforms are needed. Preparing for tomorrow’s workforce starts today. We can build a stronger workforce system by listening to the needs of job creators, delivering upskilling opportunities to workers, and holding skills education programs accountable for their performance.” The hearing will be live-streamed [here](#).

Federal Reserve Votes to Raise Federal Funds Rate by 25 Basis Points

On Wednesday, the Federal Reserve held a meeting of its Federal Open Market Committee (FOMC) where it voted to raise the Federal funds rate by 25 basis points. This was FOMC's tenth consecutive rate increase, which puts the new target range for the Federal funds rate at between 5 and 5.25 percent. According to a [statement](#) released following the conclusion of the meeting, the FOMC’s members said that they remain committed to returning inflation to its two percent target rate over time. However, in a departure from its last statement, the FOMC removed language saying it “anticipates that some additional policy firming may be appropriate.” Federal Reserve Board of Governors Chair Jerome Powell said this was a meaningful change in the central bank’s approach, and that the decision to continue or pause interest rate hikes in June will depend on the latest data, but that he was comfortable in taking a wait-and-see approach. “If Federal Reserve members are correct, it may take some time for rate cuts to seem plausible,” said Chairman Powell. “We on the committee have a view that inflation is going to come down not so quickly. It will take some time, and in that world, if that forecast is broadly right, it

would not be appropriate to cut rates and we won't cut rates.”

Former President Donald Trump Lays Out Plan for Higher Education If He Wins in 2024

On Tuesday, former President Donald Trump released a [campaign video](#), which broadly outlined a plan to reshape higher education if he is reelected as President. The plan calls for a significant expansion of the federal government's oversight of institutions of higher education through reform of the accreditation process. President Trump said he would “fire” the existing accrediting agencies that oversee colleges and universities and replace them with new accreditors who would put in place a new set of federal standards for institutions. Under the plan, institutions would be required to remove all administrators involved in diversity, equity and inclusion efforts and colleges and universities would be required to offer options for “accelerated and low-cost degrees” and provide “meaningful job placement and career services.” In addition, institutions would be required to give their students entrance and exit exams to prove they are learning and receiving what they paid for. In the video, President Trump said “the time has come to reclaim our once great educational institutions from the radical Left, and we will do that...our secret weapon will be the college accreditation system.” The announcement of this plan comes shortly after Florida Governor Ron DeSantis made reforming the state's colleges and university systems a key priority for the current legislative session.

U.S. Department of Education News

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

The Office of Career, Technical, and Adult Education released a new report titled, [Beyond the Box](#), which was developed to assist colleges and universities in mitigating barriers to higher education for currently and formerly incarcerated individuals on admissions applications, and providing support for these students.

Member News



The Trellis Company announced that the U.S. Department of Education has designated it as the guarantor of the Federal Family Education Loan (FFEL) Program portfolio previously managed by the New York State Higher Education Services Corporation (HESC). Trellis will assume management of HESC's FFEL

Program portfolio effective May 5, 2023. "At Trellis Company, we pride ourselves on our 40-year legacy of providing exceptional service to our customers," said Trellis Company Vice President of Operations Susan High. "As we move forward, we are fully committed to ensuring a seamless transition and continuity of service for borrowers. Our team will continue to offer unparalleled customer support and education resources to help borrowers successfully navigate this period of change."

General News

The Congressional Budget Office released a [presentation](#) detailing the estimated costs of the U.S. Department of Education's proposed rule that would create a new Income-Driven Repayment plan.

[Forbes](#) publishes an article saying that the U.S. Department of Education may end the federal student loan payment pause in phases with some features extended until October or later in the year.

[Higher Ed Dive](#) reports that almost 300 colleges and universities still have open seats for fall 2023.

The Georgetown Center on Education and the Workforce recently released a report titled, [What Works: Ten Education, Training, and Work-Based Pathway Changes That Lead to Good Jobs](#), which found that higher education can help more young adults get good jobs by age 30.

The Lumina Foundation released its [State of Higher Education 2022 Report](#), which found that 31 percent of all students who left school with loan debt would "somewhat likely" go

back to college, while 22 percent say they are “not very likely” or “not likely at all” to return to higher education. Additionally, 47 percent of people who did not finish their postsecondary degree say they would “very likely” go back to school if they received some student debt relief.

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