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NCHER Annual Conference: Less Than 2 Weeks Away, Register Today!

NCHER will hold its Annual Conference in less than 2 weeks - on June 5-7, 2023 at the Hilton Fort Lauderdale, Florida. The conference, which is open and designed for everyone across the higher education finance industry, will provide attendees with ample opportunities to network, learn, and take information back home that they can use in their current jobs – from hearing about the current trends and hot topics to exploring new and potential business opportunities. The NCHER Program Committee and staff are
putting the final touches on the **program agenda** that is packed with general sessions as well as opportunities for small group discussions among industry experts. The current agenda includes:

- Keynote remarks from Dr. Nat Malkus, Deputy Director for Education Policy Studies at the American Enterprise Institute, who created AEI's Student Debt Forgiveness Tracker and has examined and written extensively about the U.S. Department of Education's new Income-Driven Repayment plan and its potential impact on college costs, the long-term effects of federal student loan forgiveness, and who is benefitting from the payment pause.

- A presentation from Karen McCarthy, Vice President of Public Policy and Federal Relations at the National Association of Student Financial Aid Administrators, who will discuss FAFSA [Free Application for Federal Student Aid] simplification and what NCHER members can expect to occur over the next few months as they prepare students and families for the release of the new FAFSA in December 2023.

- A federal outlook for 2023 from Alex Nock and Vic Klatt with the Penn Hill Group that will discuss recent and anticipated actions by Congress, the U.S. Department of Education, and the U.S. Supreme Court, including the future of the federal student loan forgiveness program, the restart of federal student loan payment and collections, the new Income-Driven Repayment Plan, and the budget and appropriations process.

- Important general sessions examining efforts to support an educated workforce with a focus on non-degree seeking programs such as certification courses, hot topics in compliance, the role and priorities of the Consumer Financial Protection Bureau, the borrower’s perspective on return to repayment, current and emerging trends and practices in private education loans, and recent developments impacting cybersecurity. It will also include an NCHER staple – our annual “Ask the Attorney’s panel.

- Small group break-out sessions centered on industry sectors so that attendees can talk about the most pressing issues of the day with their peers.

We urge all of the NCHER membership to register for the conference today! We look forward to seeing you for some fun and sun in Ft Lauderdale!

**House Passes Resolution Overturning Federal Student Loan Forgiveness Plan, Payment Pause**
Yesterday, the U.S. House of Representatives passed House Joint Resolution 45 by a vote of 218-20. The vote was along party lines with the exception of two Democrats, Rep. Jared Golden (D-ME) and Rep. Marie Gluesenkamp Pérez (D-WA), who voted with Republicans. The legislation would use the Congressional Review Act to overturn the U.S. Department of Education’s federal student loan forgiveness plan and the recent extension of the pause on federal student loan payments and interest.

During floor debate, Republicans argued that the loan forgiveness plan is too expensive and unfair to individuals who did not take out student loans. Rep. Bob Good (R-VA), the sponsor of the resolution, said that the forgiveness plan was a “reckless, unfair, unlawful, unconstitutional student loan transfer scheme.” Democrats argued that borrowers who would receive relief come from families earning below $75,000 and that students need relief from crushing debt. In one of the most tense moments, Rep. Maxwell Frost (D-FL) accused Republicans of using “bigoted logic” in arguing that loan forgiveness was unfair. “If we legislated using the logic that you bring to this issue here today, women and Black folks wouldn’t have the right to vote because it would be unfair to those who never got to vote before them,” Rep. Frost said. House Education and the Workforce Committee Chairwoman Virginia Foxx (R-NC) asked that Rep. Frosh’s comments be stricken from the House record. After several minutes of deliberation among aides on the House floor, Rep. Frost withdrew the comments and continued with his speech.

H.J. Res. 45 will now head to the U.S. Senate for consideration. Nearly all Senate Republicans have signed onto S.J. Res. 22, which is similar to H.J.Res. 45. However, it is not yet clear if Republicans, led by Senate Health, Education, Labor, and Pensions Committee Ranking Member Bill Cassidy (R-LA) will be able to convince a handful of moderate Democrats to break with the White House and vote against the loan forgiveness program. Following House passage, White House Press Secretary Karine Jean-Pierre reiterated during a press briefing that the President would reject the effort to overturn the program. “He will veto this bill,” Ms. Jean-Pierre said.

For further coverage, see these articles from Roll Call, The Washington Post, and Fox News.

House Education and the Workforce Subcommittee Holds Hearing with Under Secretary Kvaal and FSA COO Cordray

On Wednesday, the House Education and the Workforce Subcommittee on Higher
Education and Workforce Development held a hearing titled, "Breaking the System: Part II: Examining the Implications of Biden's Student Loan Policies for Students and Taxpayers," with Under Secretary of Education James Kvaal and Federal Student Aid (FSA) Chief Operating Officer (COO) Richard Cordray.

In his testimony, Under Secretary Kvaal reiterated the benefits of the U.S. Department of Education's federal student loan forgiveness program explaining that one in three borrowers never graduate from college and are left with debt but no degree and that historically over one million borrowers default on their loans each year. He expressed confidence in the legality of the loan forgiveness plan and the Department's legal argument in Nebraska v. Cardona, which is pending before the U.S. Supreme Court. Under Secretary Kvaal also noted that the new Income-Driven Repayment plan is an additional step that the Department is taking to address student debt and assist struggling borrowers. In his testimony, FSA COO Cordray stated that his office has been working to carry out the Department’s federal student loan priorities with level funding and that the funding increase included in the President’s budget request for Fiscal Year 2024 is critical to continuing that work. He explained that the new 2024-25 FAFSA [Free Application for Federal Student Aid], based upon the FUTURE Act and FAFSA Simplification Act, will make it simpler for students and families to apply for and receive financial support.

For additional coverage, including an archived webcast of the hearing, visit the committee website or see this article from Inside Higher Ed.

Department of Education Sends Proposed Rule Creating New IDR Plan to OIRA for Review

This week, the U.S. Department of Education sent the final proposed rule creating a new Income-Driven Repayment (IDR) plan to the White House Office of Information and Regulatory Affairs (OIRA) for review. The proposed regulation would amend the current Revised Pay as You Earn Repayment Plan while phasing-out new enrollments and imposing new requirements for borrowers in the Pay As You Earn Repayment, Income-Contingent Repayment, and Income-Driven Repayment Plans. Under the new Revised Pay as You Earn Repayment Plan, a student loan borrower who makes less than $30,600 annually would not be required to make monthly payments on their federal student loans, which is close to the annual earnings of a borrower making $15/hour. This is a change from current repayment plans where borrowers making $20,400 annually do not have to repay their loans. The review by OIRA typically takes between a few weeks or a few
months and is one of the final steps in the process before publication in the Federal Register.

**House Republicans Sent Letter to Department of Education Requesting Information on Sweet v. Cardona Case**

Earlier this week, House Education and the Workforce Committee Chairwoman Virginia Foxx (R-NC) and House Oversight and Accountability Committee Chairman James Comer (R-KY) sent a letter to Secretary of Education Miguel Cardona requesting documents used in the class action settlement in Sweet v. Cardona where the agency is discharging $6 billion in federal student loan debt that was part of a borrower defense to repayment case. In the letter, Chairwoman Foxx and Chairman Comer wrote that, “Facts surrounding the Sweet v. Cardona litigation suggest the Biden administration may be working indirectly through the settlement to bypass lawful processes to fulfill student loan bailout promises made by the President.”

**White House, Speaker McCarthy Continue Negotiations on Debt Ceiling**

This week, White House officials and House Speaker Kevin McCarthy (R-CA) continued negotiations to reach a deal on legislation to raise the debt limit, which the U.S. Department of Treasury expects to hit on June 1st. At this time, the two sides have failed to reach a bipartisan, bicameral agreement to avert the projected debt default. But negotiators say that they are getting closer to striking a deal next week. “Still working through thorny issues, but there’s goodwill on all sides,” Rep. Patrick McHenry (R-NC), a key ally of the Speaker and negotiator in spending talks with the White House said Thursday. “It’s just tougher issues that remain,” he added.

As part of negotiations on a deal, Republicans and Democrats are discussing imposing spending caps on the federal budget for Fiscal Year 2024 and later. The negotiations over the budget caps have resulted in postponement of several markups on appropriations bills by the House Appropriations Committee.

For further coverage see these articles from The Hill and Roll Call. For a memorandum released by the American Council for Education on how the federal government defaulting on its debts could jeopardize colleges’ access to financial aid and research funding, click here.

**U.S. Department of Education News**
For today’s Federal Register, click [here](#).

The Department of Education released new recommendations on the use of artificial intelligence in teaching, learning, research, and assessment.

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

- [Comment Request: Loan Discharge Application: Forgery](#)
- [CB-23-08) Campus-Based School Testing to Report Federal Work-Study Wages](#)

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**General News**

[insideARM](#) reports that the Consumer Financial Protection Bureau submitted a brief to the U.S. Supreme Court defending its funding structure and criticizing the U.S. Court of Appeals for the Fifth Circuit’s decision in *Community Financial Services Association of America v. Consumer Financial Protection Bureau*.

The Federal Reserve released its annual survey titled, [Economic Well-Being of U.S. Households](#), showing just over half of adults who attended college said the lifetime financial benefits of their higher education outweigh the costs.

[Inside Higher Ed](#) and [The Chronicle of Higher Education](#) report that state support for higher education continues to rise, but public colleges are still facing headwinds with lower enrollments on the horizon.

[Bloomberg](#) publishes an op-ed saying that the current federal student loan payment pause will soon end, but the federal government must first address the flaws in its best idea for easing the transition.

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