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## In Today's Edition

- House Fails to Override President's Veto of CRA Resolution Blocking Federal Student Loan Forgiveness Program
- House Education and the Workforce Committee Holds Hearing on Transitioning to a Skills-Based Economy
- FSA Releases New Quarterly Reports on the Federal Student Loan Program
- House Republicans, Senate Democrats Submit Public Comments on Gainful Employment Rule
- FCC Issues Proposed Rules to Require Revoking Consent for Calls and Texts
- GAO Releases New Report Raising Concerns Over Department of Education's FAFSA Modernization Effort
- U.S. Department of Education News
- General News

## House Fails to Override President's Veto of CRA Resolution Blocking Federal Student Loan Forgiveness Program

Yesterday, the U.S. The House of Representatives failed to override the President's veto of House Joint Resolution 45, a resolution under the Congressional Review Act (CRA) to nullify the U.S. Department of Education's federal student loan forgiveness plan as well as the extension of the federal student loan payment, interest, and collections pause. The CRA is an oversight tool that Congress can use to overturn final rules put in place by federal agencies. The override attempt failed by a vote of 221-206 vote, falling far short of the two-thirds majority needed to overcome a veto. The result was expected, since the joint passed both the House and Senate narrowly earlier this month with just a handful of moderate Democrats joining Republicans to pass the measure. For further coverage, see these articles from [Politico](#) and [The Hill](#).

## House Education and the Workforce Committee Holds Hearing on Transitioning to a Skills-Based Economy

Today, the House Education and the Workforce Committee held a hearing titled, "Competencies Over Degrees: Transitioning to a Skills-Based Economy." The purpose of the hearing was to discuss education options outside of a four-year degree and other ways to transition to a skills-based economy.

In her [opening statement](#), Committee Chairwoman Virginia Foxx (R-NC) emphasized the need to match the skills of the nation's workforce with what in-demand jobs require. She said that employers should not judge workers who have appropriate skills and competencies by how they achieved those skills, and that the country should not penalize

workers who do not have bachelor's degrees. Chairwoman Foxx expressed her belief that viewing all learning equally will unlock the potential of millions of Americans and that employers must look beyond credentials and recognize talent. In his [opening statement](#), Ranking Member Bobby Scott (D-VA) argued that, for years, employers have required college degrees for jobs that do not require them and that these hiring practices exclude skilled and competent applicants. As a result, he asserted that the economy and employers lose out on two-thirds of working age Americans without a four-year college degree. He stated employers are increasingly evaluating job applicants based on experience and skills assessments rather than degrees, and he highlighted companies, including Google, IBM, Costco and Publix, for transitioning to skills-based hiring. He commended federal and state governments for shifting to this model for an increasing number of job openings.

In his [testimony](#), Dr. Karin Kimbrough, Chief Economist, LinkedIn Corporation, discussed the need for a skills-first approach to hiring, saying that such hiring expands the talent pool in filling the skills gap and democratizes opportunity. In his [testimony](#), Dr. Mark Smith, Director of HR Thought Leadership, SHRM, discussed the importance of skills assessment, which are unbiased and validated assessments that measure the critical knowledge and skills required to perform specific jobs. In his [testimony](#), Dr. Papia Debroy, Senior Vice President of Insights, Opportunity@Work, discussed the 70+ million workers who are Skilled Through Alternative Routes or STARS who are facing barriers to mobility in today's labor market. In his [testimony](#), Dan Healey, Head of People for Customer Success, SAP, discussed why skills-based hiring is on the rise.

For further information on the hearing, including an archived webcast, visit the [committee website](#).

## FSA Releases New Quarterly Reports on the Federal Student Loan Program

Yesterday, the U.S. Department of Education's Office of Federal Student Aid (FSA) [released](#) new quarterly portfolio reports with key data and other information about the federal student loan program from March 31, 2023.

As of March 31, 2023, approximately 43.6 million federal student loan borrowers held \$1.64 trillion in outstanding loans, an increase of \$25 billion in outstanding loan balance and 600,000 recipients from last year. Although there have been modest increases in Direct Loan balances, FSA says that the balances of Federal Family Education Loans have been declining more rapidly, in part due to the temporary limited Public Service Loan Forgiveness Waiver and other loan discharge programs. As a result of these shifts, the Department now directly manages 93 percent (or \$1.5 trillion) of the total federal loan portfolio. While almost 27 million Direct Loan recipients, with approximately \$1.1 trillion in outstanding loans, are in forbearance status as a result of the flexibilities included in the CARES Act, about 305,000 Direct Loan recipients have opted out of the payment pause and were in an active repayment status as of March 31, 2023, compared to 18.1 million recipients in March 2020, shortly after the CARES Act became law.

In September 2022, FSA data showed fewer borrowers were enrolled in an income-driven repayment (IDR) plan, which continued this quarter, going from 8.37 million recipients owing \$522 billion in March 2022 to 8.26 million borrowers owing \$512 billion in March 2023. FSA says that these decreases are largely driven by the number of borrowers who have entered repayment during the COVID-19 emergency without selecting a repayment plan. These borrowers have immediately been transitioned into forbearance due to the COVID-19 emergency. Once repayment begins, a considerable

number of these borrowers are likely to enroll in an IDR plan.

## House Republicans, Senate Democrats Submit Public Comments on Gainful Employment Rule

On Tuesday, House Education and the Workforce Committee Chairwoman Virginia Foxx (R-NC) and House Higher Education and Workforce Development Subcommittee Chairman Burgess Owens (R-UT) submitted [public comments](#) to the U.S. Department of Education criticizing its proposed rule on gainful employment. In the comments, the Republican leaders say that higher education accountability is needed for all academic programs, not just those at for-profit institutions, and argued that the proposed regulation employs flawed metrics to determine program quality. The lawmakers assert that the Department has not allowed adequate time for Congress, institutions of higher education, and stakeholders to respond to the 1,077-page regulatory package, and urged the agency to withdraw the rule.

Senate Democrats also submitted [public comments](#) on the proposed rule, which they said would be the strongest accountability framework for career training programs to date. “We believe such regulations will make important progress to ensure program integrity, proper oversight, and accountability for institutions of higher education that receive taxpayer-funded federal financial aid,” the senators wrote. “We urge the Department to keep these strong gainful employment and transparency provisions to protect students and taxpayers in the final rule.” The Department said that it has received over 7,400 comments on the proposed rule.

## FCC Issues Proposed Rules to Require Revoking Consent for Calls and Texts

Earlier this month, the Federal Communications Commission (FCC) issued a Notice of Proposed Rulemaking (NPRM) that proposes to strengthen existing rules on the ability of consumers to exercise their right to revoke consent to individual callers. The Telephone Consumer Protection Act (TCPA) prohibits initiating any telephone call to any residential line using an artificial or prerecorded voice to deliver a message without the prior express consent of the called party. It also prohibits any call or text made to a cellular phone using an automatic dialing system or an artificial or prerecorded voice without the prior express consent of the called party.

In 2015, the FCC clarified that consumers may revoke their consent through any reasonable means. The proposed rule seeks to strengthen this right by ensuring that revocation does not require the use of specific words or burdensome methods. It would also codify that reasonable methods to revoke consent typically include revocation requests made by text message, voicemail, or email to any telephone number or email address at which the consumer can reasonably expect to reach the caller. The NPRM proposes that, when a consumer uses any such method to revoke consent, doing so creates a presumption that the consumer has revoked consent, absent evidence to the contrary. The proposed rule does provide that callers who do not believe consumers have used reasonable means to revoke consent may rebut the presumption on a case-by-case basis. It also would require callers to honor revocation requests within 24 hours. Currently, callers must honor such requests within a reasonable period or within 30 days, depending on the type of call.

The FCC seeks comment on the proposals, including the costs and benefits involved, for smaller businesses and consumers. Public comments are due within 30 days of publication of the NPRM in the Federal Register.

## GAO Releases New Report Raising Concerns Over Department of Education's FAFSA Modernization Effort

The U.S. Government Accountability Office (GAO) recently issued a report titled, [Department of Education: Federal Student Aid System Modernization Project Should Better Estimate Cost and Schedule](#). For background, in 2021, the U.S. Department of Education's Office of Federal Student Aid (FSA) initiated an Award Eligibility Determination (AED) to, among other things, modernize and replace its federal financial aid processing system, which is over 30 years old. To date, FSA has completed selected project planning and development activities, including awarding a system development contract for approximately \$122 million in March 2022 and completing development of the infrastructure foundation for the system in October 2022. Future planned activities include conducting user acceptance and system integration testing with final deployment of the system taking place by December 2023.

GAO has been monitoring FSA's AED implementation and found it followed four out of five best practices that increase the chances any given project achieves its goals. However, the office also found FSA's project estimate did not account for government labor costs and failed to provide reasons why any of the activities could not start sooner than the targeted dates. GAO recommended that FSA develop life cycle cost estimates and updates for the AED project and revise its schedule assumptions and constraints.

### U.S. Department of Education News

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

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

- [Comment Request: Federal Direct Loan Program and Federal Family Education Loan Program Teacher Loan Forgiveness Forms](#)
  - [Comment Request: Teacher Education Assistance for College and Higher Education Grant Program Obligation to Repay Grant Regulations](#)
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## General News

The Institute for Higher Education Policy recently released a report titled, [Rising Above the Threshold: How Expansions in Financial Aid Can Increase the Equitable Delivery of Postsecondary Value for More Students](#), which says that a college degree still has value for about 93 percent of students.

[The Washington Post](#) publishes an opinion piece arguing that generous federal student loan programs are making colleges and universities more expensive.

[Yahoo Finance](#) reports that waiting for a ruling from the U.S. Supreme Court on the constitutionality of the federal student loan forgiveness program is ‘nerve-racking’ for many Americans.

[Business Insider](#) reports that Florida Gov. Ron DeSantis filed a lawsuit against the U.S. Department of Education challenging federal law requiring colleges and universities to obtain accreditation in order to provide aid to students. The complaint alleges that ceding power to accreditation agencies is unconstitutional and that “unelected academics” have “unchecked power” to decide what education standards should be.



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**National Council of Higher Education Resources**

1050 Connecticut Ave NW #65793

Washington, DC 20035

Phone: **(202) 822-2106**

Fax: (202) 822-2142

