

Thursday, September 7, 2023

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NCHER Fall Legal Meeting: Register Today!

NCHER will hold its Fall Legal Meeting on Tuesday, November 7, 2023 at the law offices of McGlinchey Stafford in New Orleans (Pan American Life Center, 601 Poydras St, # 1200). The planning committee is currently putting together an exciting and informative agenda that will be released soon, and we are sure that the one-day meeting will be of interest to lawyers and non-lawyers alike. The registration fee is \$400 for members and \$500 for nonmembers. For more information or to register, visit the meeting website. While NCHER is making arrangements for a virtual option, registrants should be aware that active participation for remote registrants will be limited. Please indicate when registering whether you will attend in person or virtually. Similar to the past, meeting

attendees will need to make their own hotel reservations. There are several hotels within walking distance of the law firm. A non-exclusive list is posted on our website.

NCHER would like to thank Kelly Lipinski and our friends at McGlinchey Stafford for hosting the meeting. If you have any initial questions on the meeting, please reach out to Shelly Repp at srepp@ncher.org.

We hope to see you in New Orleans!

House, Senate Republicans Send Letter to Education Secretary Cardona Asking Questions on Methodology Used in Determining IDR Forgiveness

Today, House Education and the Workforce Committee Chairwoman Virginia Foxx (R-NC) and Senate Health, Education, Labor, and Pensions Committee Ranking Member Bill Cassidy (R-LA) sent a <u>letter</u> urging the U.S. Department of Education to provide details on its methodology in determining which student loan borrowers qualify for forgiveness under the current Income-Driven Repayment (IDR) program. The letter says that the Department recently announced that 804,000 borrowers would receive a total of \$39 billion in loan cancellation following adjustment of the IDR program's qualification standards.

The lawmakers seek information as to what legal authority the agency used to justify changing the standards that allowed these borrowers to become eligible for the IDR program. They also ask questions on what type of status counted as a qualifying month for the purposes of the discharge (e.g., full-payment, partial payment, late payment, delinquent, default, forbearance), what status did not count as a qualifying month, and other questions, and ask for answers by September 31, 2023.

Senate HELP Committee Ranking Member Cassidy Releases White Paper on Artificial Intelligence, Includes Impact on Postsecondary Education

On Wednesday, Senate Health, Education, Labor, and Pensions Committee Ranking Member Bill Cassidy (R-LA) <u>released</u> a <u>white paper</u> on artificial intelligence (AI) and the technology's potential benefits and risks to society with a focus on health, K-12 education, postsecondary education, and the workplace. In the white paper, Ranking Member Cassidy said that Congress is exploring passing legislation on AI and he would

like feedback from stakeholders on the role of the federal government in regulating the Al industry and how to ensure Al technology is designed, developed, and deployed in a responsible manner that protects Americans' rights and safety. On postsecondary education, Ranking Member Cassidy said that the use of Al involves both opportunities and concerns. He cited the following example of Al success in higher education involving student completion and success at Georgia State University:

"The institutional graduation rate stood at 32 percent and Pell students, those from low-income backgrounds, were graduating at a rate 10 percentage points lower than non-Pell students.41 According to their report, in 2003, Georgia State University was the 'embodiment of these national failings.' Now, the graduation rate is up and the racial, ethnic, and economic disparities are no longer predictors of success at Georgia State. The university successfully demonstrated the impact of analytics-based proactive advisement, using AI, from identifying students at-risk of not graduating to chat bots to provide customized communications in real-time."

Ranking Member Cassidy asked for feedback and urged interested parties to provide comments to HELPGOP_AIComments@help.senate.gov by Friday, September 22, 2023.

Separately, Higher Ed Dive reports that some colleges and universities have begun to use algorithms to determine financial aid levels and use artificial intelligence to help them decide whether to admit a student. Under this approach, institutions of higher education that have limited resources are using an algorithm to help optimize how financial aid is distributed, though some experts argue that the practice could cause issues for students and even open colleges and universities up to potential legal risk. In addition, enrollment managers are using such tools to help schools predict the likelihood that a student will enroll in an institution after being offered admission. However, some vendors are warning colleges that the algorithms they offer are not just mathematical models but a tool that allows an admissions team to try out different aid strategies to see how their incoming class may change, things like the diversity, gender balance, and academic profile of the class. In practical use, the article says that colleges and admissions offices may not see aid algorithms as a standalone piece of technology but rather as a more comprehensive tool for understanding their probable yield.

MN AG Announces Investigation Into Third-Party Debt Relief Companies Suspected of Scams

On Wednesday, Minnesota Attorney General (AG) Keith Ellison announced that he had opened investigations into 52 different third-party debt relief companies suspected of violating state law. The AG said that many of the companies are headquartered in California, and appear to offer debt-settlement services to consumers without registering with the state. The companies are also suspected of violating consumer protection laws by misrepresenting their fees and services and falsely promising student loan forgiveness. In letters to each of the companies, the AG's Office requested information on the companies' operations in Minnesota. "Minnesotans just want to be able to afford their lives, and the cost of student loans that too many borrowers have to take out is already too high," AG Ellison said. "The fact that fraudsters prey on borrowers by charging exorbitant fees and making promises they can't deliver on is offensive. We've held companies like this accountable before and we're doing it again. I encourage any Minnesotan who's been preyed upon by a company promising to help them forgive their student loans to contact my office so we can hold that company accountable." The Attorney General's Office worked with the U.S. Department of Education's Office of Federal Student Aid to identify many of the companies.

Strada Education Foundation Releases New Study Assessing Recent Community College Students' Views on Value of Education

Today, Strada Education Foundation released a new <u>study entitled</u>, "The Value of <u>Community Colleges: Recent Students' Motivations and Outcomes."</u> The study analyzed data from a nationally representative survey of recent community college students, including those who completed degrees or certificates and those who did not. It revealed that community college attendees who complete an associate degree or successfully transfer to a four-year institution value their education at rates comparable to or higher than recent bachelor's degree completers. The survey explored how community college students perceive the value of their experience, identified essential skills they believe help them succeed in the workforce, and identified equity gaps in outcomes for recent attendees. Three big takeaways from the report include that students value their community college experience, colleges are helping meet broad education goals, and when community colleges helped them develop essential skills like critical thinking and leadership, they earn more money and rate the value of their education more highly than those who do not feel their education helped them to develop these skills.

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:

- (GENERAL-23-75) Errata Volume 1 Student Eligibility [2023-2024 Federal Student Aid Handbook]
- (EDESUITE-23-06) Service Release Available for EDExpress 2023-2024, Release
 3.0 to Resolve Direct Loan Rebuild Import and Direct Loan SAS Reports Issues
- Service Release for EDExpress for Windows 2023-2024 Release 3.0
- (LOANS-23-08) Fact Sheet on Fresh Start Available for Confined or Incarcerated Borrowers
- Service Release for EDExpress for Windows 2023-2024 Release 3.0

General News

<u>The Chronicle of Higher Education</u> releases the results of a new survey showing what people think about higher education.

<u>The Hechinger Report</u> profiles the newest benefit at top companies: private college admissions counseling.

Newsweek reports that the Debt Collection recently created a "Student Debt Release Tool," which seeks to call on the U.S. Department of Education to cancel all student loan debt through the Higher Education Act of 1965. The petition generates an individual appeal to the Department requesting that it exercise that power now.

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

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