



# DAILY BRIEFING

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## House Education and Labor Committee Announces Hearing on FSA Policies and Priorities

The House Education and Labor Committee recently announced that its Subcommittee on Higher Education and Workforce Investment will hold a hearing entitled, "[Examining the Policies and Priorities of the Office of Federal Student Aid](#)," at 10:15 a.m. on Wednesday, October 27, 2021. While a witness list has not been released as of the time of publication, it is widely assumed that new Federal Student Aid Chief Operating Officer Richard Cordray will appear before the subcommittee. The hearing will occur virtually using Zoom.

## Community College Advocates, House Democrats Urge White House Not to Drop Free College from Revised Build Back Better Act

Yesterday, the Association of Community College Trustees (ACCT) and the American Association of Community Colleges (AACC) released a joint statement expressing their disappointment that a free community college program will not be included in the final version of the Build Back Better Act, the budget reconciliation package being negotiated by the White House and Congressional Democrats, and urging lawmakers to reconsider their decision. “Community college leaders urge Congress to seize this crucial moment in our nation’s pandemic and economic recovery by investing in community college education to benefit students, communities, and local economies now and for generations to come,” ACCT and AACC wrote. “It’s not too late.” Separately, four House Democrats, led by Rep. Andy Levin (D-MI), wrote a [letter](#) to the House leadership urging them to include funding for a new federal-state partnership to provide two years of tuition-free community college and significantly reduced tuition at Historically Black Colleges and Universities and Minority Serving Institutions in the final bill advanced by Congress and signed by the President. “Investing in high-quality education for every American free of means-testing criteria will be critical in our fight to build back better from the pandemic and grow our economy,” the letter said. “By eliminating community college tuition and fees universally for a student’s first two years, the Build Back Better Act could revolutionize U.S. postsecondary education, reducing students’ total costs to attend college and the burden of student loan debt dramatically. The resulting boost in educational opportunity would propel Americans back into the workforce in better-paying and family-sustaining jobs.”

As reported yesterday, earlier this week, President Joe Biden told lawmakers that the free community college program originally included in the House version of the legislation is likely to be dropped from the final package, though the White House is exploring the idea of providing additional scholarships to low-income students. The talks over the budget package remain fluid as Democrats work to narrow the bill to a version that can garner unified party support, especially from Sens. Joe Manchin (D-WV) and Krysten Sinema (D-AZ), to become law. Current discussions seem to be centering around a top line figure of \$1.75 to \$1.95 trillion for the package, meaning that many provisions included in the original \$3.5 trillion legislation need to be scaled back. The current plan is for the House and Senate to announce a deal on the revised Build Back Better Act and for the House to take up and pass the Senate-passed Infrastructure Investment and Jobs Act prior to October 31st. For more coverage, see these articles from [University Business](#), [Fox Business](#), and [NPR](#).

## House Financial Services Committee Republicans Send Letter to CFPB Director Chopra Outlining Concerns with

## Recent Partisan Actions

Last week, House Financial Services Committee Republicans, led by Ranking Member Patrick McHenry (R-NC), sent a [letter](#) to Consumer Financial Protection Bureau (CFPB) Director Rohit Chopra outlining several recent actions that they consider to be partisan and anti-consumer. In the letter, the lawmakers criticize the Bureau's former Acting Director for rescinding the January 2020 policy statement that aimed to provide clarity on the application of the abusiveness standard in supervision and enforcement matters; for rescinding a 2018 bulletin outlining the Bureau's approach to supervisory communications; and for issuing an interpretive rule indicating that the Bureau will resume supervising financial institutions for compliance with the Military Lending Act. The letter also asks Director Chopra to detail his priorities for the CFPB.

"Earlier this year, we wrote to former Acting Director [David] Uejio regarding several actions he undertook while at the Consumer Financial Protection Bureau," the members said. "Over his nine-month tenure, Acting Director Uejio delayed the implementation date of multiple major rulemakings conducted in accordance with the Administrative Procedures Act typically taken under a Senate-confirmed Director; reversed and rescinded policy statements and guidance issued by a Senate-confirmed Director; and undertook 14 enforcement actions against financial services companies. Acting Director Uejio's response was less than satisfactory. It failed to articulate with any type of specificity substantive problems with the previous rulemakings, policy statements, and guidance. As you begin your tenure, we would appreciate a more fulsome response to the concerns outlined below." The letter concludes by criticizing the Acting Director's short tenure saying, "Acting Director Uejio's tenure was blatantly political and grounded in the strategy of 'regulation by enforcement.' This also describes the tenure of former Director Cordray as he ran roughshod over businesses of all sizes. I have reason to believe your tenure will be no different. Several statements you made during your confirmation hearing are concerning. I caution you against initiatives that exceed your statutory authority, undermine the credit markets, and have the effect of raising the cost of credit for all Americans."

## U.S. Department of Education News

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

The following announcements were posted to the Information for Financial Aid Professionals website:

- [\(APP-21-21\) 2022-23 SAR and SAR Acknowledgement Mock-Ups](#)

- ([LOANS-21-10\) HEAL Program Information – Maximum HEAL Program Interest Rates for Quarter Ending Dec. 31, 2021](#)
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## General News

[Diverse Issues in Higher Education](#) examines how financial aid protections have ended up hurting at-risk students, creating barriers to success and increasing melt and dropout rates for those students most in need of support.

[CNBC](#) reports on those colleges and universities with the best return on investment.

[CNN](#) reports that Black borrowers say federal policymakers have ignored the racial and economic evidence of inequality in student loan debt with the majority insisting that canceling all student debt is the best solution to the crisis, according to a new report released by The Education Trust.

[The Washington Post](#) and [Forbes](#) report on what Navient's upcoming exit from the federal student loan servicing program means for borrowers.

[CNBC](#) examines how parents should save for their children's college and their own retirement at the same time.

[Yahoo! Money](#) reports on the similarities and differences between federal and private student loans and what borrowers need to know.

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