NCHER

DAILY BRIEFING

Wednesday, October 27, 2021

In Today's Edition

- NCHER Webinar on Education Appropriations for Fiscal Year 2022
- FSA Releases Quarterly Portfolio Report, Federal Student Loans Stand at $1.59 Trillion
- House Education and Labor Subcommittee Holds Hearing on Policies and Priorities of FSA
- House Financial Services Committee Holds Hearing to Review CFPB
- College Board Releases Trends Report, Finds Continued Decline in Student Loan Borrowing
- Strada Alumni Report Examines Student Outcomes Beyond Completion
- College Ave Student Loans Survey Highlights How Families Prepare for Financing College
- Third Way Releases Survey Results on Support for Higher Education in the Build Back Better Act
- U.S. Department of Education News
- Member News
- General News

NCHER Webinar on Education Appropriations for Fiscal Year 2022

Tomorrow, October 28, 2021, at 10:00 am ET, NCHER will hold a webinar titled, "Education Appropriations for Fiscal Year 2022." As previously reported, the Senate Appropriations Committee recently released its version of the Labor, Health and Human Services, Education, and Related Agencies Appropriations Act, which provides $98.4 billion in discretionary funding for the U.S. Department of Education. The funding level is almost $25 billion above last year's level. In late July, the U.S. House of Representatives passed its version of the Labor/H bill, which includes $102.8 billion in funding for the Department of Education. During this webinar, NCHER staff will discuss the education provisions included the Senate committee-released bill and report, the House-passed legislation, and the differences between the two versions, and provide an update on the appropriations process now that almost a month into the start of the fiscal year. The information to join the Zoom call has been sent to the primary contact for each member.

FSA Releases Quarterly Portfolio Report, Federal Student Loans Stand at $1.59 Trillion

Yesterday, the U.S. Department of Education's Office of Federal Student Aid (FSA) **released** the quarterly portfolio reports containing key data and other information about the federal student loan programs as of June 30, 2021. Key findings include the following:

- As of June 30, 2021, the outstanding federal student loan portfolio stood at $1.59 trillion, representing 42.8 million unduplicated student aid recipients. Direct Loans now represent 85 percent of the portfolio; Federal Family Education Loan Program (FFELP) loans represent less than 15 percent; and Federal Perkins Loans are a negligible fraction. The Department-held portfolio is now more than $1.4 trillion, representing more than 90 percent of the total amount. Portfolio growth has slowed since 2010, as new disbursements have declined. Year-over-year, the total federal loan portfolio has increased 3 percent or about $46 billion. The Direct Loan portfolio is up about 5 percent, while the FFELP portfolio is down almost 6 percent; Perkins Loans continue to be phased out.

- As a result of special pandemic flexibilities for federal student loans, the number of recipients in repayment status has fallen sharply over the last 15 months. Less than 500,000 Direct Loan recipients were in repayment status as of June 30, 2021, compared to 18.1 million recipients in March 2020, just a few days after the Coronavirus Aid, Relief, and Economic Security or CARES Act was passed. Only one percent of all outstanding Direct Loan dollar balances are currently in repayment status, consisting largely of customers who opted out of the CARES Act payment pause. About 24 million Direct Loan recipients with outstanding loans of about $967 billion are now in forbearance status, and over 99 percent of those balances are in the CARES Act forbearance. When including Department-held FFELP recipients, approximately 25 million recipients with more than $1 trillion in outstanding loan balances are now in forbearance.

- With almost all federal student loan borrowers now in forbearance, no Direct Loan borrowers entered default during this period. The more detailed delinquency demographic reports have been temporarily suspended.
- Despite the repayment pause for most borrowers, enrollment in income-driven repayment (IDR) plans has slightly increased during the pandemic. As of June 2021, 8.3 million Direct Loan recipients were enrolled in IDR plans, up 1 percent from June 2020. Adding Department-held FFELP recipients, 8.6 million unique recipients are enrolled in IDR plans.
- FSA has posted preliminary disbursement data for the full 2020-2021 award year as of June 30, 2021. While application data for 2020-2021 decreased 1 percent, the preliminary disbursement data for loans and grants were down about 6 percent compared to the June 2020 preliminary data from the 2019-2020 award year. Applications have been declining since award year 2011–12, except for a modest increase in award year 2017–18 when the application cycle was extended from 18 to 21 months. Applications for the 2021–22 award year so far are down about 2 percent from this time last year.
- Cumulatively, almost 1.3 million borrowers have had their employment eligibility certified and have received a qualifying payment count so they can keep track of their progress toward Public Service Loan Forgiveness (PSLF). Of these, only about 8,300 borrowers have received PSLF discharges through June 2021, totaling $756 million. An additional 3,700 borrowers have received TEPSLF discharges totaling $166 million in discharges through June 2021. Since the new combined certification and application form for both PSLF and TEPSLF was released, FSA has received almost 497,000 applications from approximately 404,000 borrowers. Of these, almost 225,000 have been completed and processed, 175,000 remain in processing, and 97,000 were missing necessary information. Almost all (99.7 percent) of the 225,000 completed and processed applications came from borrowers whose loans and employment meet the legal requirements to receive credit toward PSLF.

House Education and Labor Subcommittee Holds Hearing on Policies and Priorities of FSA

Today, the House Education and Labor Subcommittee on Higher Education and Workforce Investment held a hearing titled, “Examining the Policies and Priorities of the

Office of Federal Student Aid (FSA)." In her **opening statement**, Chairwoman Frederica Wilson (D-FL) said that FSA manages federal financial aid programs, including Pell Grants, campus-based aid, and federal student loans. This is a tremendous responsibility as there are 43 million federal student loan borrowers who owe more than $1.5 trillion. She mentioned that, under former Education Secretary Betsy DeVos, the U.S. Department of Education abandoned its responsibility to America's students and taxpayers by withholding debt relief from hundreds of thousands of students who were defrauded by low-quality institutions; allowing predatory institutions to collect millions of dollars from taxpayers; shielding student loan servicing companies from regulatory agencies and state law enforcement; and failing to ensure borrowers received accurate information about critical programs, such as the Public Service Loan Forgiveness Program, that are designed to support student borrowers and their families.

She continued stating that the Department is now listening to student loan borrowers and working diligently to better support them. She went on to tell the story of a constituent who is a teacher with nearly a hundred thousand dollars in outstanding student loan debt. His loan balance has ballooned because the monthly payments that he can afford to make have failed to keep pace with the interest on his loan. She said that this experience is not unique and is why she applauds the transformative actions that the Department has taken to provide hundreds of thousands of student borrowers with the loan relief they were legally entitled to receive under the law.

Chairwoman Wilson concluded her opening statement by emphasizing that she was looking forward to the outcome of the Department's ongoing negotiated rulemaking process, which will hopefully provide further relief to low-income borrowers and others and streamline the loan repayment process. She acknowledged recent efforts by the Department to discharge loans for those who have a total and permanent disability (TPD) and to streamline and automate relief for eligible borrowers in the future. She further discussed the recent action by the Biden Administration to make significant changes to the Public Service Loan Forgiveness (PSLF) program, both through a time-limited waiver and the rulemaking process, saying that the Administration has erased $9.5 billion in loans for 563,000 borrowers in total. She said that, while the Department's progress has been encouraging, FSA is facing a series of major hurdles that are on the horizon, including the upcoming return to loan repayment. She stated that Congress must ensure that students receive the education and support they need to begin repaying and that many borrowers may be unsure of their rights and responsibilities or are experiencing continued financial hardship caused by the looming pandemic. She emphasized that Congress has to monitor this situation very carefully and that loan servicing companies need a robust and well-trained workforce to support an increased volume of borrower requests as repayment begins.

In his **open statement**, Ranking Member Greg Murphy (R-NC) said that FSA is an important agency responsible for overseeing the disbursement of over $100 billion in grants, loans, and other student aid dollars each year and that, through such aid, millions of students are able to pursue postsecondary education who otherwise would not have the means to do so. He stated that FSA is also tasked with overseeing one of the greatest challenges that the Department has faced since its inception – returning nearly 45 million borrowers into repayment status after a near two-year pause in response to the COVID-19 pandemic. While Ranking Member Murphy cited that the return to repayment should be the sole focus of FSA, the office has also bowed somewhat to partisan politics and put the wishes of the Democrat party's progressive base over the immediate needs of student borrowers. He said that FSA is also currently carrying out the implementation of the Free Application for Federal Student Aid (FAFSA) Simplification Act and the FUTURE Act and has also focused its energy "harping on for-profit colleges through the revival of an Obama-era enforcement unit while turning a blind eye to the misdeeds of institutions that serve the vast majority of students". Ranking Member Murphy also cited the recent announcement by the Department on PSLF as taking away necessary resources that should be allocated to the soon to be disaster in the federal student loan program and stated that the policy was fundamentally unjust.

In his **testimony**, FSA Chief Operating Officer Richard Cordray stated that, right now, FSA faces great challenges as it seeks to provide the quality services that students, borrowers, and their families deserve from the federal government. He said that colleges and universities and their students have felt the effects of the pandemic, which has produced a notable downturn in both FAFSA completion and enrollment rates. Mr. Cordray said that FSA's top priority each year is to ensure that students and their families have reliable, uninterrupted access to the financial help they need and that the FAFSA form itself is facing huge changes through the passage of two new laws to improve the entire federal student aid process. He cited the changes as making it easier to complete the FAFSA form, but that the operational challenges are extensive. Mr. Cordray also said that FSA is charged with serving students across the full life cycle of student aid and that the agency was changing how it does business to better serve students, which was behind the recent PSLF announcement. Mr. Cordray also emphasized improvements in other special loan forgiveness programs, such as TPD, borrower defense to repayment, and closed school discharge.

Mr. Cordray completed his testimony by commenting on ongoing efforts to strengthen accountability and servicing. He cited the creation of a new Office of Enforcement, led by a Chief Enforcement Officer, to strengthen oversight of schools and take enforcement actions to reduce risks for students and taxpayers. He pledged to work closely with other agency partners, including the Federal Trade Commission (FTC), the Consumer Financial Protection Bureau (CFPB), the U.S. Department of Justice (DOJ), the U.S. Department of Treasury, and states.

During the question-and-answer portion of the hearing, Chairwoman Wilson commended Mr. Cordray for his recent actions around PSLF, and asked about the merits of providing forgiveness in a tiered manner as opposed to a 10-year timeframe. Mr. Cordray said that it would be up to Congress to make additional changes to the program. Chairwoman Wilson asked Mr. Cordray about Operation Fresh Start. Mr. Cordray said that he does not have anything to announce today, but FSA is examining several policy matters under consideration that could help defaulted borrowers get back into repayment. Chairwoman Wilson asked Mr. Cordray about the status of the memo that the Department of Education and DOJ are preparing to determine whether the Biden Administration has the legal authority to provide federal student loan forgiveness. Mr. Cordray said that the issue around federal student loan forgiveness is for the White House to determine, not FSA, and he does not have a timeline for the release of the memo. Ranking Member Murphy discussed the borrower benefits included in the Coronavirus Aid, Relief, and Economic Security or CARES Act and asked Mr. Corday whether he supported federal student loan forgiveness. Mr. Corday said that he has an operational position in the federal government, and it is up to Congress to pass laws. Rep. Pramila Jayapal (D-WA) expressed concerns about student outcomes at proprietary colleges and universities, and asked Mr. Cordray whether he would use FSA's authority under program participation agreements to crack down on the colleges. Mr. Cordray said that FSA just created a new enforcement unit to increase the office's oversight over colleges and universities to protect borrowers, and that institutions need to be held accountable for their performance.

Rep. Glenn Grothman (R-WI) asked Mr. Cordray whether the Department would provide a report to Congress on the experimental site limiting unsubsidized loan amounts under the Direct Loan program. Mr. Cordray said that he will take that back to the Department and get an answer. Rep. Grothman asked Mr. Cordray for a status update on whether FSA has a memorandum of understanding with the CFPB and what information the office shares with the Bureau. Mr. Corday said that he believes federal agencies should work together to protect borrowers and work to implement the law. Rep. Grothman told Mr. Cordray that the Higher Education Act does not include statutory authority authorizing him to delegate his responsibilities to the CFPB or any other agency, and that he is responsible for overseeing the federal student loan programs. Rep. Teresa Leger

Fernandez (D-NM) asked Mr. Cordray for his thoughts on “financial fitness” in an effort to help students and families increase their financial competencies. Mr. Cordray said that the issue has been close to his heart for more than 30 years and the federal government can do much more to help students and families make sure that they have the right information when it comes to choosing the best postsecondary education. Rep. Fernandez asked Mr. Cordray to expand on the work that FSA is doing around PSLF. Rep. Lisa McClain (R-MI) asked Mr. Cordray how many accounts were impacted by the recent exit of two federal student loan servicers from the program. Mr. Corday said that we are talking about 15 million accounts. Rep. McClain said that FSA must do a better job of encouraging student loan repayment, especially as millions of borrowers reenter repayment in February. Rep. Kathy Manning (D-NC) said that, during the Obama Administration, FSA worked with state regulators to hold proprietary colleges and universities accountable. She asked Mr. Cordray whether FSA could work with other partners to increase accountability and increase oversight. Mr. Corday said that federal and state officials can work together to increase oversight while minimizing overlap. Rep. Manning asked Mr. Cordray to comment on imposing restrictions on the conversion of for-profit institutions to nonprofit colleges and universities.

Ranking Member Virginia Foxx (R-NC) said that the committee has written several letters to FSA around the end of the federal student loan repayment pause. She asked Mr. Cordray when the administrative forbearance will end; he said after January 31st. Ranking Member Foxx said that the committee asked for the release of an outside report on the long-term financial impact of the federal student loan portfolio, and asked when the Department would release the report. Mr. Cordray said that there are questions around the methodology of the report.

Chairman Bobby Scott (D-VA) said that the FAFSA Simplification Act was passed last year by Congress and asked Mr. Cordray to implement as much of the new law as soon as possible. Mr. Cordray said that FSA is working to update its aging computer infrastructure, but he would work with Congress on what pieces to implement. Chairman Scott also asked Mr. Cordray whether FSA would use its authority to personally hold college executives liable and seek financial recovery when they defraud students. Mr. Corday said that the new enforcement unit will address this issue. Chairman Scott asked Mr. Cordray for an update on the Next Generation Financial Services Environment in writing. Chairman Scott asked Mr. Cordray to respond in writing to whether FSA has the authority to reduce interest rates or allow student and parent borrowers to refinance their federal student loans. He also asked Mr. Cordray to provide the characteristics of borrowers who may receive $10,000 in federal student loan forgiveness, saying that many of these borrowers are non-performing loans and should not result in a cost to the federal government. Rep. Jamaal Bowman (D-NY) asked Mr. Cordray to respond to the recent Education Trust report that federal student loan policy is negatively impacting Black borrowers. Mr. Cordray said that, as an operational agency, FSA can provide important data to federal policymakers. Rep. Bowman asked Mr. Cordray about his thoughts on improvements to the Parent PLUS Loan program. Mr. Cordray said that FSA is interested in having a dialogue with Congress over Parent PLUS loans to determine what protections should be extended to struggling borrowers. Rep. Mark Pocan (D-WI) asked Mr. Cordray for his thoughts on allowing student and parent borrowers to refinance their federal student loans. Mr. Cordray said that the Higher Education Act sets the interest rates on student loans, and it is up to Congress to determine that policy decision. Rep. Pocan also asked Mr. Cordray about his thoughts on college costs. Mr. Cordray said that whether colleges and universities are charging too much is a policy decision for Congress to explore, but that he is concerned that we are pricing students and families out of the market. Rep. Bob Good (R-VA) said that FSA is a predatory lender as the federal student loan program continues to provide funds to students who should not take on the debt. He also asked Mr. Cordray what steps he was taking to strengthen the relationships with his servicing partners as opposed to making them a “scapegoat” for FSA’s problems.

Rep. Adriano Espaillat (D-NY) asked Mr. Cordray for his thoughts on bankruptcy reform and any efforts to redefine the economic hardship standard. Mr. Cordray said he thinks that the process should be reformed and reevaluated, and there have been discussions with the Department of Justice to review the current approach where student and parent borrowers need to go to court to get their loans discharged. He said that it is a fairly complex issue, but he hopes to have something to announce soon. Rep. Espaillat asked Mr. Cordray to talk about the changes to PSLF. Rep. Diana Harshbarger (R-TN) asked Mr. Cordray whether FSA is pursuing a policy of moving defaulted borrowers out of default. Mr. Cordray said that there was a lot of work with guaranty agencies to help defaulted borrowers with Federal Family Education Loans. Chairwoman Foxx then asked Mr. Cordray a series of questions on data around borrower defense to repayment claims. Rep. Mikie Sherrill (D-NJ) said that she had recently met with several of her local veterans’ organizations and they expressed concern about proprietary colleges and universities unlawfully targeting veterans. Mr. Cordray said that FSA will work with state officials to increase its oversight of colleges and universities. Rep. Sherrill asked Mr. Cordray what other steps FSA could take to address problems in the for-profit sector. Mr. Cordray said that FSA is working with the FTC, CFPB, DOJ, and states to take on those schools that are violating the law. Rep. Sherrill also expressed support for the changes to the 90-10 rule included in the COVID-19 relief package passed by Congress earlier this year.

Rep. Mariannette Miller-Meeks (R-IA) said that FSA data has shown graduate degree holders are the primary beneficiaries under PSLF and asked Mr. Cordray how many borrowers are truly working in public service. Mr. Cordray said that FSA examines employer eligibility to ensure that only those public workers receive the benefits under the law. Rep. Joaquin Castro (D-TX) asked Mr. Cordray to discuss the upcoming changes to PSFL especially for those borrowers that were deemed ineligible after they had consolidated into the Direct Loan program. Rep. James Comer (R-KY) followed up on the question from Ranking Member Foxx on the release of the outside report on the long-term financial impact of the federal student loan portfolio, and criticized the Department's efforts to provide retroactive relief on borrower defense to repayment claims. Rep. Joe Courtney (D-CT) commended Mr. Cordray for their recent actions around PSLF, and urged him to look at the issue allowing student and parents to refinance their student loans. Rep. Julia Letlow (R-LA) asked Mr. Cordray for a comprehensive plan to return borrowers back into repayment when the payment suspensions end on February 1st, especially for those federal student loan servicers that need to hire employees, and asked why FSA had directed their private collection agencies not to talk to borrowers about rehabilitation. Mr. Cordray said that FSA is working on putting in place a public communications plan for borrowers to ensure that messages are getting clearly communicated to students and parents. Mr. Cordray also said FSA is giving active consideration to how to help defaulted borrowers. Rep. Suzanne Bonamici (D-OR) asked Mr. Cordray how the non-renewal of federal student loan servicing contracts will impact borrowers. Mr. Cordray said that FSA is focused on the proper transfer of accounts, and the transfer is being overseen by FSA, CFPB, and a coalition of 17 states. FSA is starting with a small cohort of borrowers, and then will transition to larger servicers. Rep. Bonamici also commended Mr. Cordray for FSA's actions around borrowers who qualify for temporary and permanent disability, and asked how automated processes can help the federal student loan program. Rep. Fred Keller (R-PA) told Mr. Cordray that FSA is saying some federal student loan servicers have exited the program because they did not want to be subject to new contract requirements. But the facts show that the outgoing servicers made their decisions based on other factors. Rep. Scott Fitzgerald (R-WI) asked Mr. Cordray what the federal student loan payment pause has exposed when it comes to repayment. In his closing remarks, Ranking Member Murphy expressed his disappointment that Mr. Cordray did not answer many of the questions, choosing to deflect. In her closing remarks, Chairwoman Wilson said that FSA has provided federal student loan forgiveness to borrowers who were legally entitled to the relief. But the restart of federal student loan repayment and the transition to NextGen are sure to be major challenges for FSA.

For more information on the hearing, including an archived webcast, visit the **committee** website.

House Financial Services Committee Holds Hearing to Review CFPB

Today, the House Financial Services Committee held a hearing entitled "Bringing Consumer Protection Back: A Semi-Annual Review of the Consumer Financial Protection Bureau (CFPB)." In her opening statement, Chairwoman Maxine Waters (D-CA) stated that new Director Rohit Chopra had inherited an agency undermined by the Trump Administration. She said that it was critical for the Bureau to undertake strong oversight of mortgage servicers and that the Bureau must ensure consumers have more control over their own data. She said that he looked forward to Mr. Chopra's leadership of a revitalized CFPB. In his opening statement, Ranking Member Patrick McHenry (R-NC) said that, over the last few months, the CFPB has delayed several important rulemakings, which has caused uncertainty across the financial services industry. He said that the Bureau is pursuing a "regulation by enforcement" strategy, which is harmful to the nation's businesses. He suggested that the CFPB will become Richard Cordray 2.0, concluding that it is time for Congress to rein in the Bureau.

In his testimony, CFPB Director Chopra stated that household debt has started to increase at a faster pace, with $15 trillion being owed by consumers, $800 billion more than at the end of 2019. He said $1.4 trillion of that amount was auto debt, meaning that such debt is almost at the level of student loans. He said the Coronavirus Aid, Relief, and Economic Security or CARES Act has kept delinquency rates for mortgages and student loans at low levels. He outlined three areas of focus for the Bureau going forward. First, Director Chopra said that he hopes to stimulate greater competitive intensity in consumer financial markets. "When I was last at the CFPB, we undertook a number of initiatives to promote student loan refinancing options for borrowers to obtain lower rates and better loan servicing." Second, he indicated that the CFPB will sharpen its focus on repeat offenders. Finally, he said the Bureau will look for ways to restore relationship banking in the era of big data.

For more coverage of the hearing, including an archived webcast, visit the committee website.

College Board Releases Trends Report, Finds Continued Decline in Student Loan Borrowing

Today, the College Board released its annual **Trends in College Pricing and Student Aid 2021**. The report found that annual student loan borrowing in 2020-21 continued its decline since 2011, dropping 9 percent from 2019-20. The average cumulative debt per borrower has also shown a gradual decrease since 2014-15 and, in 2019-20, decreased to roughly $28,000 per borrower. More than half of borrowers owe less than $20,000, with 45 percent of all outstanding federal loan debt owed by borrowers owing $80,000 or more. On the cumulative debt front, graduate students borrowed 47 percent of all federal loans in 2020-21. In the second quarter of 2021, the report found that 19 percent of student loan borrowers were over the age of 50, a slight increase from 2017 when that total was 17 percent. The report found that, for the first time in 2020-21, institutional grant aid accounted for more than half of all grant aid to postsecondary students. Between 2010-11 and 2020-21, institutional grant aid rose by $25.6 billion, reaching a total of $71.1 billion in 2020-21.

The report also delved into enrollment trends, with postsecondary enrollment declining by 3 percent overall due to a 4 percent decline in undergraduate programs and a small increase in graduate programs for the 2020-21 academic year. In terms of the federal aid landscape, the College Board recapped the impact of the Coronavirus Aid, Relief, and Economic Security or CARES Act, the implementation of the Higher Education Emergency Relief Funds, and the current pause on repayment and interest accrual on federal student loans. The report says that, while these efforts provided a lifeline to students and schools, institutions of higher education were still left to contend with shrinking student populations. When it comes to enrollment trends, an estimated 600,000 students account for the 2020 decline from 2019. With student enrollment having reached its peak in 2010, the decline was more gradual — 1.3 million fewer students enrolled over the course of a decade. Due to the pandemic, international student enrollment was significantly impacted and saw a double-digit decline, which was especially acute in doctoral programs. Additionally, as a result of the pandemic, students across all institution types reported increased participation in taking online courses, with 75 percent of all students in 2020 having reported taking at least one course remotely. In 2019, just 36 percent of undergraduate students reported having taken an online course.

For additional coverage, see these articles from ***Forbes*** and ***Inside Higher Ed***.

Strada Alumni Report Examines Student Outcomes Beyond Completion

Strada Education Network recently released a report titled, **Student Outcomes Beyond**

Completion: National Findings From the 2021 Strada Alumni Survey, that examines the responses of alumni from the past 20 years to learn how they view the value and benefits of their undergraduate education. This includes what they identify as the most valuable elements of their college education. Key findings include the following:

- Students' education goals encompass learning, career, and personal growth. More than 9 in 10 alumni reported strong learning outcomes.
- At least three-quarters of alumni report that they experienced at least one of three postgraduation outcomes: an earnings benefit, feeling their education was worth the cost, or achieving their goals. However, only half of respondents realized all three of these outcomes and women, first-generation, and alumni of color were less likely to experience the postgraduation benefits of a college education.
- Graduates reported that their professors and courses were very valuable to them, but experiences and support connecting education to career opportunities were much less common and not as uniformly valuable.
- After graduation, alumni who reported quality experiences connecting their education to career preparation as students also earned more money and were significantly more likely to agree that their education was worth the cost and helped them to achieve their goals.
- Alumni who believe they developed in-demand professional skills are more likely to believe their education helped them achieve their goals. This pattern is consistent across all fields of study, from visual and performing arts to accounting and engineering.

College Ave Student Loans Survey Highlights How Families Prepare for Financing College

College Ave Student loans recently released a survey of 1,000 parents of current college students conducted by Barnes & Noble College Insights™, which found that 35 percent had a child who attended a college outside of their budget while 70 percent spent more on college tuition and fees than they had expected. Other key findings include the following:

- 79 percent of parents said that they have set aside some money to help pay for their child's college education and, of those, 64 percent feel comfortable with their savings amount, according to the survey. However, of those who have saved, only 28 percent have saved enough to pay for their child's full college education with 43 percent reporting they could pay for half or more. More than 1 in 10 parents (12 percent) said they helped cover college costs through a side hustle or second job.

- Families who used scholarships and grants said they were from the school's financial aid package (65 percent), ideas from a college counselor or the financial aid office (33 percent), high school counselor (33 percent), online scholarship search (31 percent) and community or local organization (24 percent).
- More than half of families (58 percent) who have filled out the FAFSA [Free Application for Federal Student Aid] say that it is confusing and complex.

Third Way Releases Survey Results on Support for Higher Education in the Build Back Better Act

Today, Third Way released **survey results** that it says shows likely voters in swing Congressional districts believe that higher education deserves a larger share of the federal funding included in the Build Back Better Act, the massive social spending package that Democrats are trying to pass through the budget reconciliation process. According to the survey:

- 78 percent of respondents support increasing tuition assistance for low-income college students, while 22 percent oppose such a program.
- 88 percent support investing in college programs that have been proven to prepare students to graduate and enter the workforce, and 84 percent support investing in college programs that have a proven track record of raising retention and graduation rates.
- 82 percent of respondents support reducing the amount of debt that students have to take on in order to graduate college, while 18 percent oppose such a policy.

Finally, when asked whether we should "increase, decrease, or keep investments in higher education the same," 60 percent of respondents said that we should increase investments in higher education, compared to only 13 percent who said we should decrease funding and 27 percent who said we should keep it the same. Third Way says that, as Democrats wrap up their negotiations on the Build Back Better Act, they would be wise to heed the advice of the voters who are poised to determine the future of the Congressional majority come 2022.

U.S. Department of Education News

For today's *Federal Register*, click **here**.

Member News

Trellis Company [announced](#) that the company recently received The Texas Diversity Council's DiversityFIRST™ Corporate Leadership Award. Trellis was honored for its everyone = program, which celebrates the diversity and value of everyone who works at or with the company.

General News

Inside Higher Ed reports that the U.S. Department of Education held the first of two public hearings on regulatory changes to the 90-10 rule, as it kicks off another negotiated rulemaking process to carry out provisions passed by Congress earlier this year. The new law closes a "loophole" in federal law affecting servicemembers and veterans.

CNBC and ***Forbes*** report that President Joe Biden is exploring more federal student loan forgiveness, but not necessarily wide-scale student loan cancellation.

Bankrate reviews private student loan bankruptcy and what borrowers need to know.

The Wall Street Journal reports on its analysis of federal student loan data that found 98 percent of programs leave students with manageable debt loads. The article says that graduate degree that pays off: the M.B.A.

CNBC reports on how community leaders are bringing personal finance into the classroom.

Black Enterprise reports that a rising number of colleges and universities are erasing student loan debt, but more actions are needed to end the surging crisis.

An online version of this Daily Briefing is available to view and print from the

Daily Briefing Section of the NCHER e-Library.

National Council of Higher Education Resources
1050 Connecticut Ave NW #65793
Washington, DC 20035

Phone: **(202) 822-2106**
Fax: (202) 822-2142