



DAILY BRIEFING

Monday, November 22, 2021

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NCHER Daily Briefing Publishing on Abbreviated Schedule This Week

The *NCHER Daily Briefing* will publish on an abbreviated schedule consisting of today and Wednesday while Congress is in recess for the Thanksgiving Holiday. We will resume our regular publishing schedule next week.



Weekly Rundown

The NCHER Weekly Rundown, which includes the latest information on important events in Washington, DC, is available today and can be downloaded from the [NCHER website](#).

House Passes Build Back Better Act, Senate Slated to Begin Consideration Before Christmas

On Friday, the U.S. House of Representatives passed [H.R. 5376, the Build Back Better Act](#), the budget reconciliation package being used by Congressional Democrats and the Biden Administration to advance social spending legislation, by a vote of 220 to 213. On final passage, all Democrats except Rep. Jared Golden (D- ME) voted for the bill and all Republicans opposed the legislation. As previously reported, H.R. 5376 includes a \$550 increase to the maximum award for the Pell Grant program for public and nonprofit institutions (excluding students at for-profit institutions from receiving the increase), \$500 million for grants to improve college retention and completion, and a provision that would expand federal student aid to Deferred Action for Childhood Arrivals and Temporary Protected Status program participants. The bill now heads to the U.S. Senate where Senate Majority Leader Chuck Schumer (D-NY) has said that he would like the U.S. Senate to pass the bill by Christmas.

Following passage of the bill, Education Secretary Miguel Cardona released a [statement](#) saying, "Today's passage by the House of the Build Back Better Framework represents a resounding vote of confidence in America's future and an unprecedented investment in our democracy." For more coverage of the higher education provisions of the Build Back Better Act, see these articles from [CNN](#) and [University Business](#). For coverage of arguments higher education stakeholders are making that there are more appropriate ways to hold for-profit institutions accountable than excluding their students from the increase in the maximum award for Pell Grants included in the Build Back Better Act, see this article from [Inside Higher Ed](#).

ACE, Higher Education Organizations Send Letter to Department of Education to Ensure Smooth Transition to

Repayment

Last week, the American Council on Education and other higher education organizations wrote a [letter](#) to the U.S. Department of Education expressing the need to ensure that the transition to the restart of federal student loan payments is “smooth and seamless.” The letter expressed concern that three of the federal student loan servicers announced the end of their servicing contracts with the Department since July, and that this has happened without institutions of higher education having a “comprehensive understanding of (the Department’s) roadmap for the transition.” The letter stresses that colleges and universities need to have the full details on what the agency is planning regarding the restart of student loan payments, including what is being told to borrowers by the Department and its servicers. The letter urges the Department to share plans for the transition back to repayment with institutions, including plans related to borrower outreach and communication.

Senate Democrats Send Letter to the Department of Education on Returning Defaulted Borrowers to Good Standing

Last week, nine Democrat Senators, including Sens. Elizabeth Warren (D-MA), Cory Booker (D-NJ), Sherrod Brown (D-OH), Bernie Sanders (I-VT), Richard Blumenthal (D-CT), Tina Smith (D-MN), Chris Van Hollen (D-MD), Tammy Baldwin (D-WI), and Edward Markey (D-MA), wrote a [letter](#) to Education Secretary Miguel Cardona urging the U.S. Department of Education to take further action to protect and assist defaulted borrowers remain in good standing as federal student loan payments resume in the new year. “As the Department works to correct the past failures of the student loan program, it also has an opportunity to relieve a significant burden on borrowers by developing a policy to forgive debts for borrowers who have been in default for an extended period of time,” the letter said. “Allowing payments and collections to resume without taking these actions to protect borrowers in default would undermine our economic recovery, and I urge you to take immediate steps to prevent these borrowers from being further harmed.” The letter reminded the Department that borrowers in default once student loan payments resume could be subject to wage garnishment, tax refund withholding, and collections practices. It further mentioned that borrowers who are removed from default status would be eligible to enroll in income-drive-repayment plans with the possibility of zero-dollar payments based on a borrower’s income.

Under Secretary Kvaal Addresses Free Community College and Debt Forgiveness at *Chronicle* Event

Last week, Education Under Secretary James Kvaal provided keynote remarks at *The Chronicle of Higher Education's* virtual festival. During his speech, Under Secretary Kvaal discussed several higher education issues of interest to the NCHER membership. For example, he stated that the U.S. Department of Education was continuing to consult with officials from the White House and the U.S. Department of Justice on the Biden Administration's authority to unilaterally forgive federal student loan debt. "There's a lot of deliberations being done with the lawyers. ... That's something where we're trying to figure out what our options are," the Under Secretary stated at the event. With respect to a future path for a new tuition-free community college program, Under Secretary Kvaal stated the idea was important to the President personally, while admitting that he did not see a specific path forward for the proposal. He was speaking on the same day that the U.S. House of Representatives advanced the Build Back Better Act. Earlier versions of the reconciliation package included a tuition-free community college program.

UC Provost Says System Will Be Test-Free Admissions Going Forward

University of California (UC) Provost Michael Brown recently stated that admission to UC campuses will not require standardized tests going forward. Earlier this year, the UC Board of Regents had temporarily eliminated the use of the SAT and ACT exams for admissions purposes with the possibility of a new, unnamed test functioning as a replacement. "UC will continue to practice test-free admissions now and into the future," Mr. Brown told the UC Board. For further coverage, see this article from [Inside Higher Ed](#).

U.S. Department of Education News

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

General News

[Money](#) examines how student and parent borrowers can get ready for the upcoming return of student loan payments in early February.

[The Washington Post](#) reports that the U.S. Department of Education has notified 30,000

public servants of their success in the first wave of student loan forgiveness through the Public Service Loan Forgiveness Program.

[*Business Insider*](#) reports that Sen. Elizabeth Warren (D- MA) is blunt: President Joe Biden can make the joint decision to cancel student loan debt and legalize marijuana with a 'signature on two different pieces of paper.'

[*Newsweek*](#) reports that House and Senate progressives are ramping up pressure on the Biden Administration for a sweeping order to forgive federal student loan debt, shifting focus once again to one of their top priorities after the House passage of the Build Back Better Act on Friday.

[*Higher Ed Dive*](#) reports that growing pressures of inflation are likely to translate into higher operating costs for colleges and universities, most of which will not be able to compensate by raising tuition, according to a report from Fitch Ratings.

[*The Chronicle of Higher Education*](#) reports that Historically Black Colleges and Universities are better vehicles for social mobility than other institutions of higher education, according to a new report by the United Negro College Fund's Frederick D. Patterson Research Institute.

[*NPR*](#) reports that Ohio State University has launched an ambitious, 10-year plan to raise \$800 million to eliminate all student loans from the financial aid packages given to undergraduates.

[*Forbes*](#) publishes a column on the five steps for student loan forgiveness.

[*Forbes*](#) reports on 13 companies that are offering student loan repayment as a perk to attract and keep employees.

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