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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](#).

NCHER Legislative and Leadership Meeting: One Month Away, Register Today!

The NCHER Legislative and Leadership Meeting, which will be held on February 7-9, 2024 at the Hyatt Regency Washington, DC on Capitol Hill, is one month away! This important meeting will provide important and timely sessions on the political and policy environment in Congress and the Biden Administration and ample opportunities for our

members to meet with their Congressional delegations on Capitol Hill. With the U.S. Department of Education hoping to release proposed and final rules implementing a new federal student loan forgiveness program while continuing its effort to enact borrower-friendly changes to the federal student loan program and Congress hoping to complete action on the budget and appropriations process and advance legislation creating short-term Pell Grants, this is a “can’t-miss” event for the NCHER membership! [So, Register Today!](#)

The NCHER Board of Directors and staff have been hard at work putting together the [draft program agenda](#) geared toward providing important and timely sessions on the political and policy environment in the U.S. House of Representatives, the U.S. Senate, and the Biden Administration. The current agenda includes:

- A federal update on recent developments impacting the higher education finance industry and the outlook as we begin 2024.
- A Congressional staff panel where House and Senate staff will discuss the priorities of the Republican and Democratic leadership in the 118th Congress and whether there are consensus areas for enactment of improvements to federal and private student aid programs.
- Members of the U.S. House Education and the Workforce Committee and U.S. Senate Health, Education, Labor, and Pensions Committee have been invited to speak about their priorities for higher education, including ideas to improve federal and private student loan programs and college access and success initiatives.
- The U.S. Department of Education has been invited to speak about the agency’s policies and priorities, including reforms to the federal student loan program.
- A timely session providing an update on the simplification of the FAFSA [Free Application for Federal Student Aid] now that the Department of Education has “soft-launched” the 2024-2025 FAFSA.
- Engaging sessions discussing how student and parent borrowers are adapting to the restart of federal student loan payments, how students and parents are saving and paying for college, and recent developments impacting bankruptcy for both federal and private student loans.
- Multiple opportunities to meet with your Congressional delegation on Capitol Hill and federal agencies.

Once you finish [registering](#) for the meeting, be sure to make your reservations at the Hyatt Regency Washington on Capitol Hill [online](#) for a guaranteed room rate of \$269 per

room, per night.

We look forward to seeing you in Washington, DC!

Department of Education Soft Launches New FAFSA

On December 30, 2023, the U.S. Department of Education released its new 2024-2025 Free Application for Federal Student Aid (FAFSA), which aims to simplify the federal application process for students and families. The Office of Federal Student Aid (FSA) has been working for months and years to implement the FAFSA Simplification Act, which called for reducing the number of questions on the form from 100 to 36 questions while restructuring the needs analysis formula to allow more students to qualify for Pell Grants and federal loans. As previously reported, in the lead up to the launch, the Department announced that the FAFSA release would actually be a “soft-launch” where FSA would test the new form in a beta mode by making the form available to a small number of applicants as they try to resolve technological and administrative issues. The Department also announced that colleges, state grant offices, and scholarship groups that rely on the FAFSA to calculate student aid eligibility would not receive applicants’ information until late January.

Following the release of the new FAFSA, students and families have reported that FSA’s website and form has only been available for limited windows of time due to periodic maintenance pauses that have locked students out of the form for most of the day. Many students who were able to access the form said that they were not able to complete the form before getting kicked out and some students were left waiting in a digital waiting room on hold while the site processed the more limited number of users it could handle. Thus far, over 400,000 people have started or completed applications, according to data from the Department. More than 150,000 applications were submitted by the end of Tuesday.

Earlier this week, National Association of Student Financial Aid Administrators President Justin Draeger released a [statement](#) summarizing the current state of affairs: “Even by soft-launch standards, this weekend’s rollout was challenging and students, families, and financial aid administrators who have been waiting for this release for months are understandably frustrated. Until we know more details about when schools will begin receiving finalized applicant data, schools cannot provide realistic timelines about when students and families will receive financial aid offers.” It is expected that there will be additional delays over the next few months and a growing chorus that the more

complicated financial aid season with additional delays are sure to significantly impact lower-income and first generation students.

For additional coverage, see this article from [Inside Higher Ed](#).

Department of Education Releases Issue Papers for Negotiated Rulemaking Session on Program Integrity and Institutional Quality

Earlier this week, the U.S. Department of Education released six issue papers, including proposed regulatory text, for discussion during next week's meeting of the Institutional Quality and Program Integrity Committee. The first negotiated rulemaking session is set to take place on January 8-11, with the full committee meeting for the first four days and the TRIO subcommittee meeting on the final day of the session. As previously reported, the committee will consist of representatives from [15 different constituency groups](#) and is meeting to revise federal regulations on the following topics: cash management, accreditation, withdrawals and return of Title IV funds (R2T4), state authorization, distance education, and TRIO programs.

According to the Department's [issue paper](#) on Return of Title IV funds, the committee is expected to discuss helping withdrawn students repay their credit balances, increasing the accuracy and simplicity of performing R2T4 calculations, addressing unique circumstances for what constitutes a withdrawal, and codifying long standing policies into regulation. Regarding students repaying their credit balance, currently, students who receive a loan disbursement but never start attending a college or university receive a final demand letter from the servicer for any funds not credited to the school and the amount must be repaid immediately. If the borrower does not or cannot repay the funds, the loan goes into default. The Department is proposing to help students repay their credit balances by allowing borrowers to repay the loan funds received under the terms of their promissory notes, rather than requiring immediate repayment.

According to the [issue paper](#) on cash management, the committee is expected to discuss regulations that establish the rules and procedures institutions of higher education must follow in requesting, maintaining, disbursing, and otherwise managing Title IV funds. The Department is proposing to create more consumer-friendly policies to ensure students have access to aid covering the cost of attendance. For example, the proposals would require institutions to return remaining funds from Title IV recipients' meal plan accounts

to students instead of “sweeping” them, require institutions to issue a credit balance to any student that receives Title IV aid and has any amount of aid in excess of tuition and fees, and allow late disbursement of loan funds in any payment period regardless of whether the student successfully completed the period for which the loan was intended.

According to the [issue paper](#) on TRIO, the TRIO Subcommittee is expected to discuss regulations that currently impose citizenship requirements on students to participate in federal programs such as the Talent Search program, the Educational Opportunity Centers program, and the Upward Bound program. The Department is proposing to expand participation in several TRIO programs to more students from disadvantaged backgrounds, specifically undocumented students.

For more information on next week’s neg-reg process, click [here](#).

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:

- [\(CB-24-01\) Deadline for 2024–25 Underuse Penalty Waiver for the Campus-Based Programs is Feb. 5, 2024](#)
- [\(COD-23-08\) COD School Testing for the 2024–25 Award Year](#)
- [\(GENERAL-23-123\) StudentAid.gov Account Creation for Individuals without a Social Security Number Beginning with the 2024-25 FAFSA Processing Cycle \(Updated Dec. 27, 2023\)](#)
- [Comment Request: Process for FSA ID Account Creation for Individuals Without a Social Security Number in Connection With Person Authentication Service \(PAS\)](#)

General News

[Higher Ed Dive](#) reports that 50 higher education organizations and researchers are asking the U.S. Department of Education to preserve three large-scale studies that track current college students, graduates, and how they financed their education.

[Business Insider](#) reports that some student loan borrowers can now get a retirement savings boost if they make payments on their debt under provisions included in the Secure 2.0 Act.

[Forbes](#) reports on the six updates around federal student loan forgiveness to watch as 2024 kicks off.

[The New York Times](#) reports that Harvard University President Claudine Gay recently resigned following backlash over the university's response to antisemitism on campus, which led to increased scrutiny of her academic record.

[The Hill](#) reports that the Republican majority in the U.S. House of Representatives has shrunk to two with the early resignation of Rep. Bill Johnson (R-OH) who took a job as President of Youngstown State University.

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