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NCHER Briefing Takes Publishing Break for the Annual Conference

The NCHER Briefing will be on a publishing break next Monday, June 3, through Wednesday, June 5, for the NCHER Annual Conference. We will resume our regular publishing schedule on Monday, June 10, 2024. We hope to see you at the conference!

Sixth Circuit Dismisses Challenge to Department of Education's IDR Adjustments for Lack of Standing

Earlier this month, the U.S. Court of Appeals for the Sixth Circuit issued its [decision](#) in Mackinac Center for Public Policy and Cato Institute v. Cardona upholding the district's court dismissal of a challenge to the U.S. Department of Education's account adjustments to Income Driven Repayment (IDR) Plans. "Many people consider a college education the

ticket to the American dream,” the court said in its ruling. “Some take out student loans to get the ticket. Paying back those loans can turn into a nightmare. Congress and the U.S. Department of Education stepped in to help by creating income-driven student loan repayment plans and the Public Service Loan Forgiveness program. Various problems arose with these plans, including student loan servicers steering borrowers into postponing or reducing their student-loan payments for extended periods of time. In response, the Department announced, in April 2022 and July 2023, a one-time account adjustment that would count months or years that borrowers spent in excessive forbearance status toward debt forgiveness.” The court noted that the main question presented on appeal was whether the challengers had standing to challenge this program. The court held that they do not. “At bottom, how the adjustment impacts Plaintiffs is up to individuals who are not parties to this lawsuit,” the court wrote. The Plaintiffs, the court ruled, were not able to demonstrate that student loan forgiveness under the IDR Account Adjustment would directly harm them. Following the ruling, Mackinac Vice President for Legal Affairs Patrick Wright issued a formal statement saying: “The executive branch cannot be allowed to legislate through press releases. The Biden administration’s workarounds to forgive certain student loan debts are costing taxpayers hundreds of billions of dollars and completely ignores the importance of the separation of powers. Americans are being forced to pay for things not appropriated by their elected representatives and the court should hear this constitutional challenge.” The statement indicated that the organizations are “reviewing their legal options.”

For additional coverage, see this article from [Forbes](#).

New School Releases Report Showing 2.2 Million Older Americans Have Student Loan Debt

Yesterday, the New School’s Schwartz Center for Economic Policy released a report titled, [How Student Loan Debt Impedes Retirement and Financial Security for Older Workers](#), which shows that 2.2 million individuals above the age of 55 have federal and private student loan debt and it is impeding their retirement plans. The report looked at data from the Federal Reserve’s 2022 Survey of Consumer Finance. According to the report, around 43 percent of borrowers in that age range (55 and over) are in middle-income brackets. The average debt owed by older Americans who make less than \$54,600 is around \$58,000. The report says that older Americans can take years to finish paying their student loans and more than 14 percent do not even have a degree to show for their

debt. “Three policies would help minimize the negative impacts of student debt on retirement savings: student loan forgiveness, income-based repayments – key components of the SAVE [Saving on a Valuable Education] Plan – and preventing garnishment of Social Security benefits to repay student loans,” the analysis said. For additional coverage, see this article from [Yahoo Finance](#).

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:

- [\(GRANTS-24-06\) TEACH Grant Closeout Information for 2023–24 Award Year](#)
- [\(APP-24-06\) New DHS-SAVE Tutorial Required To Initiate Third-Step Verification Requests](#)

General News

[The Hill](#) reports that colleges are getting good news on enrollment, looking at a recent report from the National Student Clearinghouse, but face problems with the FAFSA and a shifting job market.

[Inside Higher Ed](#) highlights a new report from the Georgetown Center on Education and the Workforce that found a “great misalignment” between projected job demand in many local labor markets and the mix of credentials available to workers seeking jobs requiring more than a high school diploma but less than a bachelor’s degree.

[The Washington Post](#) reports that a paperwork glitch is posting duplicate federal student loan balances on some credit reports.

[Inside Higher Ed](#) reports that there is a move in Massachusetts to expand the state’s free community college program to all ages.

[Higher Ed Dive](#) reports that the FAFSA completion gap is shrinking but will it disappear entirely.

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