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House Begins Consideration of National Defense Authorization Act, Higher Education Amendments Rules Out of Order

Today, the U.S. House of Representatives is expected to consider [H.R. 8070](#), the Servicemember Quality of Life Improvement and National Defense Authorization Act for

Fiscal Year 2025, which authorizes national security programs. As previously reported, several higher education-related amendments were submitted for consideration, including the following:

- Reps. Elise Stefanik (R-NY) and Bobby Scott (D-VA) [amendment](#) to amend the Higher Education Act to allow for Pell Grants to support low-income students enrolled in high-quality, short-term education programs that will equip students with the necessary skills to be prepared for work in high-demand fields that are aiding our national security and global competitiveness, similar to the Bipartisan Workforce Pell Act passed by the House Education and the Workforce Committee.
- Rep. Madeleine Dean (D-PA) [amendment](#) to amend the Truth in Lending Act to include a requirement for the discharge of private loans in the case of the borrower's permanent and total disability, and grant the Director of the Consumer Financial Protection Bureau the authority to issue rules to implement these changes.
- Rep. Joe Courtney (D-CT) [amendment](#) to amend the Higher Education Act to require the U.S. Department of Education to count military student loan deferment or forbearance as qualifying payments to Public Service Loan Forgiveness so that service members who deploy have their periods of service appropriately counted toward their loan forgiveness.

On Tuesday evening, the House Rules Committee met to review each of the 1,300 proposed amendments to the legislation and declined to make any of the higher education amendments in order. In conversations with Capitol Hill staff, NCHER was told that the House leadership wanted to keep all amendments narrowly tailored to national defense. For additional coverage, see this article from [Inside Higher Ed](#).

Senate Banking Committee Republicans Introduce Legislation Putting CFPB Funding Under Congressional Appropriations and Budget Process

Today, Senate Banking, Housing, and Urban Affairs Committee Ranking Member Tim Scott (R-SC) and Sen. Bill Haggerty (R-TN) introduced the [Consumer Financial Protection Bureau \(CFPB\) Accountability Act](#), which would move the CFPB under the

Congressional budget and appropriations process. Currently, the Federal Reserve is required to provide funding requested by the CFPB within certain limits, which many Republicans believe allows the Bureau to avoid fiscal accountability; the funding structure was recently upheld by the U.S. Supreme Court. “Under Director Chopra, the CFPB continues to brush aside Congressional concerns, forge ahead with political agendas, and push past the boundaries of its authority – all to the detriment of the consumers it’s supposed to protect,” said Ranking Member Scott in a [statement](#). “By subjecting the CFPB to the Congressional appropriations process, this legislation will increase accountability and help Congress ensure the agency stays true to its mission.”

The legislation comes a day after the Senate Banking Committee held a hearing with CFPB Director Rohit Chopra. During the hearing, Sen. John Kennedy (R-LA) argued that the Bureau is operating illegally because it is supposed to be funded by Federal Reserve “earnings” and the Fed – which stopped transfers to Treasury in September 2022 – technically does not have earnings. But Director Chopra pushed back in the exchange with Sen. Kennedy, saying the agency “wholeheartedly” believes it is operating according to statute.

NASFAA, Higher Education Community Sends Letter to Department of Education on 2025-2026 FAFSA

Earlier this week, the National Association of Student Financial Aid Administrators (NASFAA) and other members of the higher education community sent a [letter](#) to Education Secretary Miguel Cardona urging the U.S. Department of Education to commit to the traditional launch date of October 1, 2024 for the 2025-2026 FAFSA [Free Application for Federal Student Aid], which includes FAFSA processing, school receipt of processed FAFSAs, processing of paper FAFSAs, and FAFSA correction functionality for applicants, schools, and states. In advance of the launch, the groups also urge the Department to timely release the federal student aid estimator, the FAFSA demonstration site, communication and training materials, a user-friendly Pell look-up table, eligibility and technical guides, and a quick, effective, and secure process for attaining an FSA ID. They say that, if it is not possible to commit to an October 1 launch, the Department should communicate a timeline for the complete FAFSA launch as soon

as possible. “Transparency for next year will be critical,” NASFAA says in the letter. “With less than four months until October 1, and no draft paper FAFSA form yet available for public comment (a milestone that typically occurs by late February), we are concerned that the FAFSA will be delayed again, and that the release date will remain uncertain until just before the form becomes available. This approach will lead to a repeat of last year, with schools and counselors unable to plan the counseling and outreach efforts that are needed, colleges unable to ensure a smooth and timely process for generating financial aid offers, and students left in the lurch.” The letter concludes by noting that another delayed FAFSA release, combined with vague communication about when the form will open, will have disastrous impacts on students, counselors, and financial aid administrators, deepening the gaps in access and enrollment that resulted from the issue ridden FAFSA rollout this year.

University of Chicago-AP Poll Find Lack of Support for Biden Administration’s Student Loan Policies

The University of Chicago Harris School of Public Policy and The Associated Press-NORC Center for Public Affairs Research recently released a new poll showing less than a third of U.S. adults surveyed approve of the Biden Administration’s handling of federal student loan debt and only 36 percent of those currently paying back loans support the President’s actions. Among Democrats, 55 percent said they approve of how the President is handling student debt; but only 18 percent of Independents and just 9 percent of Republicans said the same. Thirty-four percent of those surveyed who are responsible for paying back a student loan said they disapprove of how the President has dealt with the issue. About 40 percent of adults said it is important for the federal government to forgive student loans, but a similar percentage said it is not. There was a generational gap in the findings: Adults under age 45 rated the issue much higher, saying it was “extremely important” for the federal government to prioritize debt relief. For additional coverage, see this article from [Inside Higher Ed](#).

Federal Reserve Concludes Two-Day Meeting, Holds Interest Rates Steady

On Wednesday, the Federal Reserve concluded a two-day meeting of its Federal Open Market Committee where it agreed to hold interest rates steady. The current interest rate in a range of 5 1/4 percent to 5 1/2 percent has been in place since July 2023, a 23-year high. Following the meeting, the central bank released a [statement](#) and [revised economic projections](#) raising its outlook for inflation, from 2.6 percent to 2.8 percent, but noting that there had been “modest further progress” toward the committee’s 2 percent inflationary objective. Still, the committee asserted that it would need to see confirmation in the outlook for inflation returning to the 2 percent target before cutting rates. To this last point, the central bank revised its prediction of upcoming/future rate cuts with eight committee members signaling that they would support two cuts this year while seven officials predicted a single cut later in the year; four officials saw no cuts happening this year. At the same time, committee members boosted their collective forecast for the number of cuts expected next year. They now see a median of four additional rate cuts happening in 2025, up from a prior forecast of three reductions in the interest rate.

Following the meeting, Federal Reserve Board of Governors Chair Jerome Powell held a press conference where he declined to offer any guidance on when a first cut could happen, saying to reporters that, "I don't have a precise date for you" and that "we can't know what the future holds." However, he confirmed some optimism about a recent report on inflation released on Wednesday, showing a reduction in May 2024. For further coverage, see these articles from [NBC News](#) and [Yahoo Finance](#).

U.S. Department of Education News

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

The following announcement was posted to Federal Student Aid's Knowledge Center:

- [\(GEN-24-08\) Ability to Benefit State Process and Eligible Career Pathway Programs](#)

General News

[The New York Times](#) reports the U.S. Department of Education has not finished recalculating payments for millions of borrowers enrolled in the SAVE [Saving on a Valuable Education] Plan, forcing loan servicers to place borrowers in forbearance.

[Higher Ed Dive](#) highlights a new report from the National Student Clearinghouse, which found that the population of U.S. adults under age 65 with some college but no credential reached 36.8 million by July 2022, up 2.9 percent compared to the year before. However, over 943,000 adults who stopped out of college reenrolled during the 2022-23 academic year, an increase of 9.1 percent from the prior year.

[The Washington Post](#) reports that students seemingly were undeterred by the U.S. Supreme Court's affirmative action ruling, according to recent information released by the CommonApp.

[The 74](#) publishes an op-ed making the case for why colleges and universities should require all applicants to fill out the FAFSA.

The Education Trust releases a new [report](#) highlighting how students from mixed-status families are doubly damaged by the botched rollout of the 2024-2025 FAFSA.

[The Hechinger Report](#) says that graduate programs have been a cash cow, but now universities are starting to fret over graduate enrollment.

[Inside Higher Ed](#) reports that the National Association of Student Financial Aid Administrators sent a letter to Congress to take legislative action and require the U.S. Department of Education to give colleges until July 2025 to comply with the [reporting requirements](#) in the new gainful employment and financial value transparency rule.

[insideARM](#) reports that the Consumer Financial Protection Bureau (CFPB) recently issued a new circular warning that the use of unlawful or unenforceable terms and conditions in contracts for consumer financial products or services may violate the prohibition on deceptive acts or practices in the Consumer Financial Protection Act. In a

related press release, CFPB Director Rohit Chopra said, “The CFPB will take action against companies and individuals that deceptively slip these terms into their fine print.”

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