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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 Webinar on CFPB's Registry for Nonbanks and Circular on UDAAP Violations in Consumer Financial Products and Services Contracts

On Thursday, June 27th from 2:00 to 3:30 p.m., NCHER will hold a webinar to discuss the Consumer Financial Protection Bureau's (CFPB) new final rule establishing a registry for nonbanks that have been found to violate consumer laws and are subject to federal, state, or local government or court orders and requiring a high-ranking senior executive officer to submit an annual written statement that the company is complying with covered orders. State regulators have raised concerns that the CFPB's registry will cause industry confusion and redundant reporting, but the Bureau says that the registry is part of its ongoing focus to hold lawbreaking companies accountable and stop corporate recidivism. The CFPB also 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 unfair, deceptive, or abuse acts or practices (UDAAP) under the Consumer Financial Protection Act, though chose not to establish a new registry covering this activity at this time.

During the webinar, industry experts will review the details of the final rule on the nonbank registry and UDAAP circular on terms and conditions in contracts, highlight the timeline and near-term requirements for both initiatives, and discuss their impact on the higher education finance industry. A question-and-answer session will follow the discussion. Members can register for the webinar on the [NCHER website](#).

CBO Releases Latest Budget Baseline for Pell Grant Program, Shows \$11.4 Billion Surplus Because of FAFSA Problems Averting Shortfall

Last week, the Congressional Budget Office (CBO) released the latest [budget baseline for the Pell Grant program](#), which estimates that the program will run a \$11.4 billion surplus for the current fiscal year (FY). The surplus averts fears of a potential shortfall that could have led to cuts in the program. CBO estimates that about 5.94 million students will

receive a Pell Grant in 2024, about 490,000 fewer than it projected last year because of a drop in financial aid applications for 2024 and 2025 as a result of issues with the roll out of the new Free Application for Federal Student Aid (FAFSA). CBO expects FAFSA applications to drop by about 10 percent compared to 2023. The U.S. Department of Education has estimated that more than 7 million students would receive a Pell Grant in Fiscal Year 2025 and requested an additional \$2.1 billion to increase the maximum Pell Grant from \$7,395 to \$8,145 and cover a funding gap it projected in the program, which will likely not materialize until FY 2029. The CBO baseline will guide House and Senate Appropriations Committees staff as they begin to assemble the Labor, Health and Human Services, Education, and Related Agencies Appropriations Act. For additional coverage, see this article from [Inside Higher Ed](#).

Senate HELP Committee Releases Discussion Draft to Reauthorize the Workforce Innovation and Opportunity Act

On Friday, the Senate Health, Education, Labor, and Pensions Committee held a virtual briefing to review its [discussion draft](#) to reauthorize the Workforce Innovation and Opportunity Act (WIOA). The briefing highlighted the Democratic majority and Republican minority's policy goals, which include addressing the over eight million job openings by upskilling sidelined workers, expanding career opportunities for the 4.6 million young adults aged 16-24 who are out of school and unemployed, and ensuring greater accountability for the effective use of WIOA dollars by states, local boards, and providers. The briefing also discussed several proposed changes to WIOA that would be made by a discussion draft such as enhancing state and local board flexibility by funding and connecting customers with supportive services, leveraging the workforce system to expand the U.S. workforce, improving economic mobility, and streamlining data collection to improve performance reporting and identify service gaps. The bill also includes the codification of the Reentry Employment Opportunity program, which provides competitive grants and pay-for-performance grants to support justice-involved youth and young adults and adults who were formerly incarcerated, and a new Youth Apprenticeship Readiness Grant Program aimed at increasing participation in pre-apprenticeship and apprenticeship programs. The committee is asking for feedback on

the bill's provisions: feedback should be sent to wioa@help.senate.gov by Friday, July 5 at 5:00 p.m. ET.

U.S. Department of Education News

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

[Press Release: Biden-Harris Administration Awards More Than \\$44 Million to Improve Postsecondary Education Access and Completion for Rural Students](#)

The U.S. Department of Education sent [three higher education regulations](#) to the White House Office of Management and Budget's Office of Information and Regulatory Affairs for review prior to their publication in the Federal Register as proposed rules: distance education, return of Title IV funds, and TRIO.

The following announcements were posted to Federal Student Aid's Knowledge Center:

- [\(GENERAL-24-76\) NSLDS Professional Access – NSLDS Incarcerated Student Report and Spreadsheet Submittal](#)
- [\(GENERAL-24-75\) Volume 6: The Campus-Based Programs Now Available \[2024-25 Federal Student Aid Handbook\]](#)
- [\(GENERAL-24-74\) Implementation of the Gainful Employment Funding Metric Requirements for Institutions Under Administrative Capability and Financial Responsibility](#)

Member News



MOHELA [announced](#) that it had awarded critical funding for Missouri’s student community through its Foundation, the Missouri Scholarship & Loan Foundation. MOHELA’s Foundation awarded over \$88,600 in funding to support more than 110 community events hosted by local colleges, universities, high schools, and nonprofit organizations across 70 Missouri counties through its Free Application for Federal Student Aid (FAFSA) Completion Mission-Mini Grants program. “We anticipated challenges with the rollout of the new FAFSA for 2024-2025, but no one predicted the extent of the delay and glitches students and families would face when trying to complete the form,” said Melissa Findley,

Executive Director of the Missouri Scholarship & Loan Foundation. “Our Mission-Mini Grants provide essential funding to ensure Missouri’s student community is well-informed on the latest FAFSA changes, best positioning students to access critical financial aid assistance for their higher education journey and boosting our state’s overall FAFSA completion rates.”

The goal of the Foundation’s FAFSA Completion Mission-Mini Grants program is to boost FAFSA completion rates in Missouri by supporting community events that provide educational resources and tools to help high school counselors, students and families better understand the application process and the overall importance of the FAFSA program for accessing critical financial aid from the U.S. Department of Education’s Office of Federal Student Aid), which includes federal grants, scholarships, and loans.

General News

Senate Appropriations Committee Chairwoman released a [fact sheet](#) highlighting the impact of last summer’s debt ceiling deal and the impact that its funding caps will have on the Fiscal Year 2025 budget. The fact sheet says that the Fiscal Responsibility Act risks leaving the maximum Pell Grant stagnant in the face of rapidly rising higher education

costs, leaving students with less support to pursue their dreams. “Thanks to the FRA’s tight spending caps, FY24 marked the first year in more than a decade that the maximum Pell Grant remained flat. More nondefense funding allows for a higher maximum Pell Grant—helping more students afford college.”

[Inside Higher Ed](#) reports that, after this year’s disastrous launch of the financial aid form, federal officials say next year’s version will be out on time and with fewer problems. But college financial aid professionals are skeptical.

[Higher Ed Dive](#) reports on new research from the Foundation for Research on Equal Opportunity, a free market think tank, that attempts to quantify the return on investment for 53,000 different college programs at the graduate, undergraduate, and certificate levels. The project includes a searchable database.

[NBC New York](#) reports that the U.S. Department of Education recently announced that it was issuing a request for information on potentially broadening the Public Service Loan Forgiveness program to include workers in early childhood education settings, many of whom receive low wages.

[Inside Higher Ed](#) highlights a recent report that asks first-generation college students who are Mexican American to define what educational attainment means for them and what helps them achieve success.

An online version of this Daily Briefing is available to view and print from the [Daily Briefing Section](#) of the [NCHER e-Library](#).



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