



Monday, August 19, 2024

In Today's Edition

- Weekly Rundown
- NCHER Creates New State Student Loan Committee
- House Financial Services Committee Responds to Department of Treasury's Request for Information on Artificial Intelligence
- U.S. Department of Education News
- General News



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 Creates New State Student Loan Committee

Last month, the NCHER Board of Directors met and approved the creation of a new State Student Loan Committee consistent with the organization's Strategic Plan to increase operational and compliance expertise at the state level to assist those members who are facing a growing, complicated, and expensive regulatory environment. According to the [committee charge](#), the NCHER State Student Loan Committee will provide support to the membership in monitoring state student loan-related legislation and regulations, and a forum for sharing operational knowledge and best practices among federal and private

student loan participants related to complying with new and existing state laws. It will also provide recommendations to the NCHER staff and support the organization's advocacy efforts to influence state student loan legislation and regulations. The committee will also promote the knowledge base of state policymakers, including educating them on current servicing requirements included in contracts put in place by the U.S. Department of Education and guidance released by the Consumer Financial Protection Bureau in an effort to minimize duplication and confusion for borrowers, and educate them on the differences in policies and practices between federal and private student loan programs.

Each primary contact has received a listing of the membership for each of NCHER's committees and caucuses and a request to populate the State Student Loan Committee. We hope that each contact will take a few minutes to review the committee descriptions and consider adding staff to one or more of our committees and caucuses as soon as possible. If you have any questions or updates to the lists, please email Stefanie Gramm (sgramm@ncher.org).

House Financial Services Committee Responds to Department of Treasury's Request for Information on Artificial Intelligence

Last week, House Financial Services Committee Chairman Patrick McHenry (R-NC) sent a [letter](#) responding to the U.S. Department of Treasury's Request for Information on the use of artificial intelligence (AI) in the financial services industry. The letter explains that AI holds great potential for the financial services sector and financial regulators must focus on the technology's potential benefit to consumers as firms increasingly leverage AI to serve more Americans. It also notes that AI technologies are already being deployed across the financial services sector in areas such as fraud detection, underwriting, debt collection, customer onboarding, and customer service and that continued adoption and further automation of services will result in significant cost reductions and greater access to financial services to more Americans. Chairman McHenry goes on to say that smaller financial institutions often lack the resources or data to build their own AI models and, as a result, they rely on access to third-party solutions to remain competitive with larger institutions. He also states that, as AI technologies and use cases continue to advance within the financial system, data privacy has only become more critical and valuable for AI models. Finally, the Chairman says that the current regulatory framework must evolve to keep pace with AI advancements. "Committee Republicans strongly support a

principles-based regulatory approach that can accommodate rapid technological changes more effectively,” the letter says. “We caution against horizontal, cross-economy approaches that broadly regulate the use of AI. The government should take a sectoral approach that ensures primary regulators, who understand their respective markets and AI use cases within those markets, retain the regulatory authority to proceed in a technology-neutral manner.”

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:

- [\(GENERAL-24-104\) Labor Day Federal Holiday Processing and Customer Service Hours](#)
- [\(GENERAL-24-105\) Availability of FAFSA Partner Portal Training Resource](#)

General News

The National Association of Student Financial Aid Administrators released its [National Student Aid Profile: Overview of 2024 Federal Programs](#), which provides detailed information about each of the programs authorized under Title IV of the Higher Education Act. This includes descriptions of the federal student aid programs; updated data on the number of recipients, total volume of awards, and average aid amount for each program; recent trends in federal appropriations for the Title IV programs; income levels of students and families who receive aid; and a description of the federal student aid application process.

[Ballard Spahr’s Consumer Finance Monitor](#) reports that the Consumer Financial Protection Bureau (CFPB) recently filed its appellant brief with the U.S. Court of Appeals for the Fifth Circuit appealing the September 2023 decision by the U.S. District Court for the Eastern District of Texas that vacated the March 2022 changes to the Bureau’s unfair, deceptive or abusive acts, or practices (UDAAP) Exam Manual. In 2022, the CFPB purported to use the unfair prong of UDAAP to prohibit discriminatory conduct, whether or not it is covered by fair lending laws.

[Business Insider](#) reports that White House Chief of Staff Jeff Zients told Axios that student loan borrowers can "expect more" debt relief from the President as he finishes his term over the next five months. He said that the Department of Education is planning to implement broader relief, but that effort is sure to face legal challenges.

[Inside Higher Ed](#) examines how President Joe Biden helped advance the free college movement.

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

Do not forward this email with this link included.

Anyone clicking on this link will unsubscribe you from the Daily Briefing distribution.

[Unsubscribe](#) | [Manage subscription](#)

Copyright © 2024

National Council of Higher Education Resources

1050 Connecticut Ave NW #65793

Washington, DC 20035

Phone: **(202) 822-2106**

Fax: (202) 822-2142

[MailPoet](#)