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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](#).

## District Court Judge Extends Temporary Restraining Order Blocking NPRM on Federal Student Loan Forgiveness

Last week, U.S. District Court for the Southern District of Georgia Judge Randal Hall extended the temporary restraining order blocking the U.S. Department of Education from issuing its Notice of Proposed Rulemaking establishing a new federal student loan forgiveness program for an additional 14 days. In his ruling, Judge Hall said that “good cause exists” to extend the restraining order originally issued on September 5th. “The extension will allow the Court to appropriately review and assess the Parties’ submitted briefs and argument offered during the September 18, 2024 hearing and to issue an Order addressing the pending motions,” the Judge wrote. Earlier this month, Attorneys General from Alabama, Arkansas, Florida, Georgia, Missouri, North Dakota, and Ohio filed a lawsuit against the Department, arguing that the forgiveness plan would “unlawfully” cancel \$73 billion in federally-held student loans. For additional coverage, see the following articles:

- [Judge extends temporary restraining order against Biden's student debt forgiveness plan - Yahoo Finance](#)
- [Federal judge delivers another blow to Biden's student loan handout plan: 'Good cause exists' - New York Post](#)

## House Republicans Unveil “Plan B” for Short-Term Continuing Resolution, Extends Federal Funding Until December 20th

Over the weekend, House Republicans released the legislative text of the Continuing Appropriations and Extensions Act, a short-term Continuing Resolution (CR) to keep the federal government in operation past the start of the federal fiscal year next Monday. The CR would continue federal funding at current levels for federal agencies, such as the U.S. Department of Education, until Friday, December 20, 2024. In a letter to members, House Speaker Mike Johnson (R-LA) said that the lower chamber’s defeat of a six-month CR meant that an alternative approach had to be brought forth, which he hoped would be passed mid-week. Of note, the legislation does not include a request from the White House to provide a funding exemption to the U.S. Department of Education’s Office of Federal Student Aid to continue to carry out certain priorities. The Speaker said: “Our legislation will be a very narrow, bare-bones CR including only the extensions that are

absolutely necessary.”

Though the bill was rolled out by House Republicans, Democratic leaders quickly embraced it and touted it as a bipartisan compromise that will avert a shutdown. “Over the past four days, bipartisan, bicameral negotiations have been underway to reach an agreement that maintains current funding through December 20 and avoids a government shutdown a month before the election,” Senate Majority Leader Chuck Schumer (D-NY) said in a statement. “If both sides continue to work in good faith, I am hopeful that we can wrap up work on the CR this week.” Once the House passes the legislation, the U.S. Senate is expected to quickly clear it for the President’s signature before leaving town for a month-long recess. Congressional leaders will then turn their attention to striking a final budget deal in December; that package to fund the federal government for the entire fiscal year will depend heavily on the outcome of the November elections. For further coverage, see the following articles:

- [House GOP announces plan to avert looming shutdown - Politico](#)
- [Mike Johnson proposes three-month funding bill to avert government shutdown - The Hill](#)
- [Johnson’s government funding plan B disappoints conservatives - The Hill](#)
- [December stopgap funding bill readied for House floor action - Roll Call](#)

## Education Secretary Cardona Sends Letter to Institutions of Higher Education Providing Update on FAFSA

Today, Education Secretary Miguel Cardona sent a [letter](#) and [fact sheet titled, “Focus on Improving the FAFSA Experience: Updates, Actions, and a Path Forward for the 2025-2026 Cycle](#) to institutions of higher education providing an update on the U.S.

Department of Education’s rollout of the 2025-2026 Free Application for Federal Student Aid (FAFSA), which he hopes will be operational by December 1st. In the letter, Secretary Cardona said that he understands the deep frustrations that many colleges and universities had in the initial, rocky months after the launch of the 2024-25 FAFSA form, which was beset with delays and technical difficulties. But he said that the Department has put “all hands on deck...to make sure we release the 2025-26 FAFSA in a way that reflects industry-standard best practices around technological transformation and responds to the frank feedback and recommendations of our partners.” The fact sheet discussed the Office of Federal Student Aid’s modernization efforts, the boost in staffing at support call centers by more than 80 percent, progress on beta tests, and the concerns of families without social security numbers. The letter and fact sheet come as some

higher education leaders continue to express concern as to whether the FAFSA will be ready by December and the House Education and the Workforce Subcommittee on Higher Education and Workforce Development prepares to hold a hearing on new findings from the U.S. Government Accountability Office on last year's rollout.

## House Education and the Workforce Committee Sends Letter to Secretary Cardona Accusing Him of Obstructing Investigation into Federal Student Loan Forgiveness

On Friday, House Education and the Workforce Committee Chairwoman Virginia Foxx (R-NC) sent a [letter](#) to Education Secretary Miguel Cardona accusing the U.S. Department of Education of obstructing the committee's oversight efforts regarding the proposed rule creating a new federal student loan forgiveness program. According to the letter, the committee issued subpoenas to five federal student loan servicers to receive documents and communications related to the agency's plans to finalize the proposed rule on forgiveness. Over the last few weeks, the Department has claimed that it has the legal authority to review and approve any loan servicers' materials before they can be submitted to the committee. The letter makes the case that there is no legal authority for the Department to interfere with the committee's lawfully issued subpoenas. "The committee received a letter from Lisa Brown, the Department's General Counsel, on September 5, 2024, contending that the loan servicers' responses to the subpoenas 'must receive prior approval from the Department's contracting officer (or his or her designee),' " Chairwoman Foxx said. "The letter cited a term in the loan servicers' contracts with the Department as its legal authority to review and approve all responses prior to submission to Congress. However, a contract term does not override Article I of the U.S. Constitution, nor does a contract provide legal authority to interfere with or otherwise delay a third party's mandatory response to a lawfully issued congressional subpoena. Under threats being leveled by the Department, the loan servicers did provide responsive documents to the Department for its review prior to the subpoena deadline of September 5, 2024, but none of these documents were 'approved' by the subpoena deadline. Now, fully 15 days later, still only a minimal number of documents or data have received 'approval' by the Department for the servicers' submission to the Committee. This is unacceptable and contrary to General Counsel Brown's commitment to 'expedite responses to the subpoenas.'"

## Sen. Van Hollen, Rep. Adams Introduce Parent PLUS Parity Act

Sen. Chris Van Hollen (D-MD) and Rep. Alma Adams (D-NC) recently introduced [S. 5108, the Parent PLUS Parity Act](#), which would expand income-driven repayment (IDR) plan options for Parent PLUS borrowers to all income-driven repayment plans and any forthcoming plans issued by the U.S. Department of Education, including the new Saving on a Valuable Education or SAVE plan, Pay-As-You-Go or PAYE plan, and Income Based Repayment. The bill would also expand income-driven repayment options to borrowers with Federal Family Education Loans (FFEL); make Parent PLUS borrowers eligible for discharge if their child on whose behalf they have taken out loans becomes eligible for Total and Permanent Disability discharge, borrower defense, or Public Service Loan Forgiveness; and directs the Secretary of Education to create a new hardship category program that will permit Parent PLUS borrowers to apply for loan discharge if they meet certain requirements based on income, borrower age, and other factors. According to a [press release](#), nationwide, approximately 3.9 million borrowers have outstanding Parent PLUS loan balances totaling \$112 billion. While these loans allow parents of dependent undergraduate students to borrow money to pay costs not already covered by the student's financial aid package, current law excludes borrowers from the Parent PLUS and FFEL programs from most income-based repayment plans. "Millions of parents who struggled to help their kids pay for college are now trapped in unsustainable debt – and it's not just hurting them, it's holding back our entire economy," Sen. Van Hollen said. "While the Biden-Harris Administration has taken important steps to expand income-based repayment options so students can pay off their loans, parent borrowers have been excluded from these programs, offering them little to no recourse. Our legislation will help those families chart a path to clear their debt and regain their financial footing." In addition to Sen. Van Hollen, the legislation is co-led by Sens. Alex Padilla (D-CA) and cosponsored by Sens. Cory Booker (D-NJ), Tim Kaine (D-VA), Bernie Sanders (I-VT), Tina Smith (D-MN), Elizabeth Warren (D-MA), and Peter Welch (D-VT). In addition to Rep. Adams, the bill is cosponsored by Reps. Bonnie Watson Coleman (D-NJ) and Maxine Waters (D-CA). The legislation is endorsed by NAACP, National Education Association, Student Borrower Protection Center, The Institute for College Access & Success (TICAS), Student Debt Crisis Center, Project on Predatory Student Lending, Education Trust, Justice in Aging, and the Century Foundation Higher Education Team. For a copy of the fact sheet, click [here](#).

## New America, NCLC Release Fact Sheet on Older Americans with Student Loan Debt

New America and the National Consumer Law Center recently released a [fact sheet](#) examining the impact of student loan debt on older adults. The fact sheet says that, over the last 20 years, the number of adults aged 60 or older with student loan debt has grown sixfold, and the amount of debt they carry has multiplied nearly 20 times. While many older adults took out debt to help family members, most adults are still in debt from their own education. The fact sheet says that the federal government offers PLUS loans to parents of college students, even when the family has an Expected Family Contribution of \$0 - currently, 25 percent of all parent borrowers and 44 percent of black parent borrowers do not make enough to take on any college expenses. The document also says that, when collections restart next month, about 800,000 borrowers 62 and older in default may see their credit scores fall and have their tax refunds, wages, and Social Security payments seized. The organizations say that federal policymakers should cap collections in default at the amount due in an income-driven repayment plan, protect Social Security checks and tax refunds from garnishment, offer grants instead of Parent PLUS loans to low-income families, screen borrowers for loan forgiveness eligibility and automate relief when possible, count time in default towards income-driven repayment forgiveness, and provide targeted loan forgiveness for older borrowers and older loans. For additional coverage, see this article from [Inside Higher Ed](#).

## U.S. Department of Education News

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

[Press Release: Biden-Harris Administration Awards Nearly \\$50 Million to Hispanic-Serving Institutions](#)

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

- [\(LOANS-24-08\) FY 2021 Official Cohort Default Rates Distributed Sept. 23, 2024](#)
  - [\(GENERAL-24-113\) Secretary of Education, Miguel Cardona Letter to Presidents and Chancellors on Improving the FAFSA Experience: Updates, actions, and a path forward for the 2025-26 cycle](#)
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## General News

[Forbes](#) examines what the interest rate cut approved by the Federal Reserve means for student loans: borrowers with private student loans could see their variable rates drop and borrowers shopping for private student loans or looking to a private company to refinance student loans may find more competitive rates now than last year.

[The Hill](#) reports that the Democratic National Committee has launched a new voter registration campaign at Historically Black Colleges and Universities and Hispanic-Serving Institutions in battleground states. The campaign includes kiosk ads and “I Will Vote” posters across campuses in Georgia, Michigan, Wisconsin, North Carolina, Arizona, Nevada, and Pennsylvania.

[Newsweek](#) reminds student loan borrowers who have defaulted on their loans that they have until the end of September to enroll in a program that could help bring them back into regular payments.

[Inside Higher Ed](#) reports that a new study suggests the demise of the Deferred Access to Childhood Arrivals or DACA program has contributed to steep enrollment declines for undocumented, low-income students at California public universities.

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