



Thursday, January 25, 2024

In Today's Edition

- NCHER Legislative and Leadership Meeting: Updated Agenda Released, Register Today!
- Senate and House Republicans Ask Government Accountability Office to Review Department of Education's FAFSA Rollout
- Sen. Warren, House and Senate Democrats Send Letter to Education Secretary Cardona Asking for Fourth Session to Discuss Financial Hardship
- Department of Education Announces Update to Income Formula For 2024-2025 FAFSA
- National Student Clearinghouse Releases Report Finding Undergraduate Enrollment Grew in Fall 2023
- Five Universities Settle Student Aid Antitrust Case For \$104.5 Million
- U.S. Department of Education News
- General News

NCHER Legislative and Leadership Meeting: Updated Agenda Released, Register Today!

The NCHER Legislative and Leadership Meeting, which will be held on February 7-9, 2024 at the Hyatt Regency Washington, DC on Capitol Hill, is just 2 weeks away! This important meeting will provide important and timely sessions on the political and policy environment in Congress and the Biden Administration and ample opportunities for our members to meet with their Congressional delegations on Capitol Hill. With the U.S.

Department of Education planning to release proposed and final rules implementing a new federal student loan forgiveness program while continuing its effort to enact borrower-friendly changes to the federal student loan program and Congress hoping to complete action on the budget and appropriations process and advance legislation creating short-term Pell Grants, this is a “can’t-miss” event for the NCHER membership!

The NCHER Board of Directors and staff have been hard at work putting together the program agenda geared toward providing important and timely sessions on the political and policy environment in the U.S. House of Representatives, the U.S. Senate, and the Biden Administration. The current agenda includes:

1. Federal Student Aid Chief Operating Officer Richard Cordray who will speak about the agency’s policies and priorities, including reforms to the federal student loan program.
2. A Congressional staff panel where House and Senate staff will discuss the priorities of the Republican and Democratic leadership in the 118th Congress and whether there are consensus areas for enactment of improvements to federal and private student aid programs.
3. A timely session providing an update on the simplification of the FAFSA [Free Application for Federal Student Aid] now that the Department of Education has “soft-launched” the 2024-2025 FAFSA.
4. A federal update on recent developments impacting the higher education finance industry and the outlook as we begin 2024.
5. Urban Institute Senior Policy Fellow Jason Delisle who will share his thoughts on recently proposed reforms to the federal student loan program and what they mean for borrowers and taxpayers.
6. Engaging sessions featuring representatives from the National Association of Independent Colleges and Universities and the Association of Public and Land-grant Universities who will examine major proposals to improve federal higher education policy and a representative from the State Council of Higher Education for Virginia who will discuss current and future state efforts impacting our industry.
7. Multiple opportunities to meet with your Congressional delegation on Capitol Hill and federal agencies.

So be sure to [register](#) today! Once you’re finished registering for the meeting, be sure to make your reservations at the Hyatt Regency Washington on Capitol Hill [online](#).

We look forward to seeing you in Washington, DC!

Senate and House Republicans Ask Government Accountability Office to Review Department of Education's FAFSA Rollout

Earlier this week, Senate Health, Education, Labor, and Pensions Committee Ranking Member Bill Cassidy (R-LA) and House Education and the Workforce Committee Chairwoman Virginia Foxx (R-NC), accompanied by two dozen other Republican lawmakers, sent a [letter](#) to the U.S. Government Accountability asking it to investigate the U.S. Department of Education's rollout of the 2024-2025 Free Application for Federal Student Aid (FAFSA). In the letter, the lawmakers say that the Department "botched" release of the new FAFSA.

In 2020, Congress passed the bipartisan FAFSA Simplification Act with the intention of making federal financial aid more accessible for all students by streamlining the application process. The legislation required the Department to roll out the FAFSA by January 1, 2024. After three years of preparation, the Department made the application available for borrowers for 30 minutes on December 30th before taking it down and then making it live for an additional hour on December 31st. The application was then accessible for sporadic periods until it became fully live on Saturday, January 6th, which was after the deadline set by Congress. Ranking Member Cassidy and Chairwoman Foxx argue that "these delays have left many students uncertain about their educational future." They also state that, "Because of Education's delays, college administrators are also uncertain of when they will eventually receive information from students' FAFSAs that is essential for determining financial aid packages. Some colleges may be unable to meet their normal timelines for providing students with financial aid offers, which could leave students without time to compare offers and pick a school that is affordable. All these challenges and delays may cause some students— particularly low-income students who are most dependent on Federal aid—to give up and not pursue postsecondary education."

Sen. Warren, House and Senate Democrats Send Letter to Education Secretary Cardona Asking for Fourth Session to Discuss Financial Hardship

On Thursday, Senate and House Democrats, led by Sen. Elizabeth Warren (D-MA) sent a [letter](#) to Secretary of Education Miguel Cardona requesting that the U.S. Department of Education hold a fourth session of its negotiated rulemaking committee to consider proposals to provide federal student loan forgiveness for borrowers experiencing financial hardship. In the letter, the lawmakers say that, during previous sessions, negotiators came to consensus on a few provisions that would provide relief for borrowers, including borrowers who were eligible for cancellation but were not enrolled in the right income-driven-repayment plan and borrowers who attended poor performing or predatory colleges. “However, the negotiators were unable to vote on a final category, ‘those experiencing hardship that is not otherwise addressed by the existing student loan system,’ because ED did not propose regulatory language,” the Democrats wrote. “Much of the work to prepare such language had been done: following the second session, ED released an issue paper proposing that the rule address this category and presenting examples of forms of hardship that the rule could capture. But the negotiators only had a limited time to discuss hardship in the third neg-reg session, and several asked if another session would be scheduled to consider hardship. We join the calls of those negotiators.”

The letter concludes by noting that, in a previous letter, the lawmakers what a hardship category would look like and that, for any final rule to meet the Biden Administration’s objectives to provide relief to as many borrowers as possible, it must include language providing relief to a broader set of borrowers experiencing financial hardship. For additional coverage, see this article from [Business Insider](#).

Department of Education Announces Update to Income Formula For 2024-2025 FAFSA

On Wednesday, the U.S. Department of Education confirmed that it plans to adjust the key metrics for determining how much aid students qualify for when they fill out the new Free Application for Federal Student Aid (FAFSA). Specifically, the Department said that it plans to adjust the income tables for inflation that it uses to calculate a student’s income protection allowance, which is estimated to result in an additional \$1.8 billion in federal student aid awarded to students. In late December, the Department released its updated version of the FAFSA, which reduced the number of questions that students and families had to answer, thus streamlining the application process. The new form also uses a more generous formula that protects more of a family’s income when determining their aid eligibility. Initially, the Department used outdated income tables that failed to account for inflation and originally told some media outlets that it would update the tables prior to the FAFSA’s release in late December. For additional coverage, see this article from

[Higher Ed Dive](#).

National Student Clearinghouse Releases Report Finding Undergraduate Enrollment Grew in Fall 2023

Yesterday, the National Student Clearinghouse released a new [report](#) showing that undergraduate enrollment grew 1.2 percent in the fall of 2023, the first increase since the pandemic. According to the report, growth was highest at community colleges, which gained 118,000 students (+2.6 percent) after steep declines during the pandemic. Public and private nonprofit 4-year institutions both saw smaller increases of 0.6 percent (+38,000 and +16,000, respectively). Over two-thirds of states saw undergraduate enrollment growth this fall. Additional highlights of the report include the following:

- Overall graduate enrollment growth this fall (+0.6 percent, +17,000) was not strong enough to offset last year's graduate enrollment declines. As a result, total postsecondary enrollment—undergraduate and graduate combined—increased 1.1 percent (+193,000).
- Enrollment in associate programs saw the highest growth (+2.2 percent, +96,000) among undergraduates. This is the first time since the Center began tracking enrollment by credential level in 2015 that enrollment in associate programs increased. Bachelor's programs grew at a lower rate (+0.7 percent, +63,000).
- Undergraduate certificate programs notched a third consecutive year of fall term growth gaining 18,000 students, although the growth rate (+1.8 percent) has slowed considerably from its high in fall 2021 (+9.8 percent). Certificate enrollment is 15.6 percent above 2019 levels.
- Dual enrollment (students 17 and younger) continued to increase at both community colleges (+5.2 percent, +44,000) and public PABs (+7.4 percent, +10,000). At the other end of the age spectrum, there was rare growth in enrollment of the oldest students (age 30+) at community colleges (+2.2 percent, +20,000).

Five Universities Settle Student Aid Antitrust Case For \$104.5 Million

Earlier this week, five elite universities - Columbia University, Duke University, Brown University, Yale University, and Emory University - agreed to settle an antitrust case bought by students accusing them of colluding to limit the amount of financial aid offered

to students. According to a court filing, the universities agreed to pay a total of \$104.5 million with Columbia University and Duke University agreeing to pay \$24 million, Brown University paying \$19.5 million, and Yale University and Emory University each paying \$18.5 million. The money will go into a fund for students who were harmed by the alleged antitrust violations. In statements released following the announcements, spokespeople for Yale, Brown, Emory, and Duke denied any wrongdoing and said they chose to settle the case to avoid litigation.

In the lawsuit filed in 2022 in the U.S. District Court for the Northern District of Illinois, former students of 17 colleges and universities accused the schools of agreeing on a standard formula for financial aid packages, rather than competing to offer the best deals. The colleges were able to take advantage of an antitrust exemption that can be applied if the formula does not account for the financial needs of students. The lawsuit alleges the schools failed to meet that burden. The exemption expired in late 2022 and, according to the case, the universities worked together under what they called the 568 Presidents Group, a reference to a section of the 1994 law which provided the exemption. U.S. District Judge Matthew Kennelly declined to throw out the lawsuit early on because at least some of the schools considered students' ability to pay when deciding their financial aid. So, he ruled that the lawsuit can move ahead.

The new deals from the five schools this week bring the total number of settlements to eight schools. Previously, the University of Chicago agreed to settle for \$13.5 million. Rice University said in its [most recent annual report](#) that it is paying \$33.75 million to settle the case. Additionally, Vanderbilt University said in a [court filing](#) that it reached a settlement, but did not disclose the amount it is paying. Another nine schools remain in the case: the California Institute of Technology, Cornell University, Dartmouth College, Georgetown University, Johns Hopkins University, the Massachusetts Institute of Technology, Northwestern University, the University of Notre Dame, and the University of Pennsylvania.

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:

- [\(CB-24-03\) 2022-23 Campus-Based Awards Closeout](#)

- [\(CB-24-02\) Apply by Feb. 27, 2024 for Designation as a Title III or Title V Institution and Waiver of the Non-Federal Share Requirement for FWS and FSEOG](#)
 - [Federal Perkins Loan, Federal Work-Study, and Federal Supplemental Educational Opportunity Grant Programs: 2024-25 Award Year Deadline Dates](#)
 - [Eligibility Designations and Applications for Waiving Eligibility Requirements; Programs Under Parts A and F of Title III and Programs Under Title V of the Higher Education Act of 1965, as Amended](#)
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General News

[Inside Higher Education](#) reports that the College Cost Reduction Act, introduced by House Education and the Workforce Committee Chairwoman Virginia Foxx (R-NC), focuses on affordability and accountability in higher education and suggests there may be an emerging bipartisan consensus on what needs fixing in higher education.

[The Hill](#) provides an overview of the U.S. Department of Education's efforts to provide federal student loan forgiveness since taking office and which groups have received that relief.

[Forbes](#) provides further coverage of last week's announcement by the U.S. Department of Education that it would approve a new wave of federal student loan forgiveness for borrowers based on their public service employment.

New [data](#) released this week by the National Student Clearinghouse shows that undergraduate enrollment grew in the fall of 2023. The data also offered insights into shifting enrollment trends at community colleges and HBCUs.

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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