



DAILY BRIEFING

Monday, May 23, 2022

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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](#).

FSA Issues Solicitation For New Unified Servicing and Data

Solution

Last week, the U.S. Department of Education's Office of Federal Student Aid (FSA) released a new [solicitation](#) for its Unified Servicing and Data Solution (USDS) that aims to modernize and enhance the federal loan servicing environment, as well as improve outcomes for federal student loan borrowers. Under the solicitation, USDS servicers will replace the current Title IV Additional Servicers and Not-for-Profit Servicers and manage the platforms, contact centers, and manual processing activities for all non-specialty servicing tasks for Federal Direct Loan borrowers. The customer interface and processing work currently associated with specialty programs, such as the Public Service Loan Forgiveness Program, TEACH Grants, and total and permanent disability (TPD) discharge, will shift to StudentAid.gov and FSA's Business Process Operations vendors. On the go-live date, FSA said that its USDS servicers will modify their borrower-facing communications to co-brand with FSA and provide account authentication through the FSA ID. This will produce a single sign-on experience for borrowers as they transition to full account management functionality on StudentAid.gov. Within five years of the go-live date, FSA will move full account management, branding, and repayment away from USDS servicers' websites. During this time, FSA plans to enhance servicing functionality through a single FSA-branded interface, build out a servicing data repository to improve the account transfer process, and enhance cybersecurity.

In a [blog post](#), FSA Chief Operating Officer Rich Cordray said that the new system will "provide a better customer experience for all federal student loan borrowers. They will be able to manage their entire student aid experience, from completing the Free Application for Federal Student Aid to successfully repaying their loans, on StudentAid.gov. They will also be supported by high-quality contact centers and multiple digital self-service tools that help them use and understand the federal student aid programs." Interested parties must submit offers by July 19, 2022.

For additional coverage, see this article from [Inside Higher Ed](#).

House and Senate Education Committee Republicans Send Letter to Education Secretary Cardona Demanding Response on Sharing FAFSA Data with Facebook

Last week, Senate Health, Education, Labor, and Pensions Committee Ranking Member Richard Burr (R-NC) and House Education and Labor Committee Ranking Member

Virginia Foxx (R-NC) sent a [letter](#) to Education Secretary Miguel Cardona demanding a response to their request for information on Federal Student Aid's sharing of personal data collected from the Free Application for Federal Student Aid (FAFSA) with Facebook. Earlier this month, Ranking Member Burr and Ranking Member Foxx sent an initial letter asking for more information on a report that found code embedded in the FAFSA website was sending data such as names, email addresses, and ZIP codes to Facebook. "You have failed to respond to our letter," they wrote. "Further, conversations with Department staff have been obstructive, stalling, or potentially dishonest."

Consumer and Civil Rights Groups Sue Education Secretary Cardona Over Borrower Defense to Repayment Delays

Last week, Student Defense, the National Consumer Law Center, and the Lawyers' Committee for Civil Rights Under Law filed a [class-action lawsuit](#) against Education Secretary Miguel Cardona on behalf of a group of former students who attended the Illinois campuses of Westwood College, a for-profit college that shut down in 2016. The lawsuit accuses the U.S. Department of Education of illegally delaying for nearly six years a decision on the Illinois Attorney General's group application on borrower defense to repayment relief on behalf of some former Westwood students in the state. In the complaint, the groups argue that, because Westwood College disproportionately enrolled Black and Latino students, the Department's delay in processing the claims "exacerbate already significant racial disparities in wealth, education, and economic mobility." In 2015, the Illinois Attorney General reached a settlement with Westwood College over allegations that the school's criminal justice program misled students into thinking it could help them become police officers in the Chicago area even though many law enforcement agencies did not accept the school's credits or degrees. The Department issued its own findings concluding that Westwood engaged in "widespread and substantial misrepresentations." The Biden Administration has used those findings to approve \$130 million of loan forgiveness for some 4,100 former Westwood College students. But the consumer and civil rights groups say that there are hundreds or thousands of additional borrowers from Westwood who are still waiting for relief because the Department has not acted on the group claim. In a [letter](#) last month, current Illinois Attorney General Kwame Raoul urged Secretary Cardona to quickly act on the issue writing that "there is no more reason to delay" and that the former students "have waited too long already" to have their federal student loan debts discharged. A Department spokesperson declined to comment on the pending litigation.

For additional coverage, see this article from [Forbes](#).

protecting our students' social-emotional well-being.”

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 website:

- [\(GENERAL-22-28\) Availability of 2022 Guide for Compliance Attestation Engagements of Proprietary Schools Expending Higher Education Emergency Relief Fund Grants](#)
 - [\(GENERAL-22-27\) FY 23 Sequester-Required Changes to the Title IV Student Aid Programs](#)
 - [Comment Request for Extension of the Federal Student Aid \(FSA\) Feedback System](#)
 - [The Department of Education \(ED\) is requesting renewal by extension the information collection for the Guaranty Agency Financial Report](#)
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General News

[The Chronicle of Higher Education](#) reports Purdue University's income-share agreement that promised to reshape the way students paid for college has come under national scrutiny from some consumer advocates and disgruntled borrowers. These groups that say that the funding tool confuses students.

[The Washington Post](#) publishes a column examining who has student loan debt in America.

[PBS News Hour](#) reports that the calls for President Joe Biden to cancel federal student loan debt continues to grow louder.

[CBS News](#) reports that, as the midterm elections near, the debate over federal student loan forgiveness is heating up.

[Bloomberg](#) publishes a column explaining why forgiving student loan debt is so complicated.

[The Chronicle of Higher Education](#) and [Inside Higher Ed](#) report that tuition discount rates at private colleges reached a record high of 54.5 percent, according to a new study by the National Association of College and University Business Officers. The study signals that financial aid is available, but also that pricing is arbitrary.

[Higher Ed Dive](#) reports Class Technologies, a startup that incorporates teaching and learning tools into Zoom, announced it entered into an agreement to acquire Blackboard Collaborate, a virtual classroom platform.

[Fox Business](#) examines how student and parent borrowers can refinance their student loans through a credit union.

[Fortune](#) provides five tips for new graduates as they prepare to pay back their student loans.

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