



DAILY BRIEFING

Monday, January 30, 2023

In Today's Edition

- NCHER Legislative and Leadership Conference: Preview of “Observations from College and University Leaders” Session, Register Today!
- Weekly Rundown
- Penn Wharton Releases Analysis Finding Proposed Rule on IDR Cost More than Twice as Much as Department of Education Estimate
- House Appropriations Committee Chair Granger Releases Subcommittee Assignments
- States Challenging Federal Student Loan Forgiveness Program File Brief with Supreme Court
- Department of Education Releases New Data on Applications for Federal Student Loan Forgiveness Program
- House Education and the Workforce Committee Ranking Member Scott Releases List of Democratic Members
- FSA Releases Federal Pell Grant Payment and Disbursement Schedules
- U.S. Department of Education News
- Member News
- General News

**NCHER Legislative and Leadership Conference: Preview of
“Observations from College and University Leaders”**

Session, Register Today!

The NCHER Legislative and Leadership Conference, which will be held on February 6-8, 2023 at the Westin Washington, DC City Center, is a week away! This popular conference will be the first opportunity to hear about federal and state developments impacting the higher education finance industry and to meet with the House and Senate Education Committee leadership, Biden Administration officials, and your Congressional delegation on your organization's advocacy priorities. [So Register Today!](#)

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. But the conference also includes several sessions geared toward fostering discussions on those important issues for the membership. One session that is a 'can't-miss' for the NCHER membership is a panel discussion where college and university leaders will discuss their perspectives on a range of current topics. Here's a preview of the session:

Tuesday, February 7, 2023

2:15 p.m. – 3:15 p.m.

Viewpoint: Observations from College and University Leaders

Colleges and universities are on the front-line of working with students and families to ensure that they enroll in and then graduate from postsecondary education. As higher education and the workforce changes, colleges and universities must keep pace. In this session, college and university leaders will discuss what they are seeing on their campuses, including enrollment trends, and innovative approaches to create educational opportunities for a diverse student population to meet current and future workforce needs. The panel will provide perspectives on a range of current topics such as learner access, affordability, accountability, student outcomes, and value measures.

Moderator

Bryan Ashton, Chief Strategy and Growth Officer
Trellis Company

Speakers

Robert Collins, Vice President of Financial Aid
Western Governors University

Dr. Sue Ellspermann, President
Ivy Tech Community College

Jamie Fasteau, Vice President, Policy and Advocacy
Southern New Hampshire University

The program agenda also includes:

- An important session with government relations experts who will provide a federal update on recent developments impacting the higher education finance industry and the outlook as we begin 2023.
- House Education and the Workforce Committee Chairwoman Virginia Foxx will speak about her priorities for higher education, including ideas to improve federal and private student loan programs and college access and success initiatives.
- U.S. Department of Education Deputy Under Secretary Ben Miller will speak about the agency's policies and priorities, including reforms to the federal student loan program.
- A Congressional staff panel where House and Senate Republican and Democratic staff will discuss the priorities of the Democratic and Republican leadership in the 118th Congress and whether there are consensus areas for enactment of improvements to federal and private student aid programs.
- A timely session from the National Student Clearinghouse examining enrollment trends in postsecondary education.
- Engaging sessions examining state policies impacting higher education finance and examining recent proposals impacting private student loan programs, and how the higher education financing industry is managing Board and staff through the current period of ongoing uncertainty and change as a result of the federal student loan forgiveness program, Fresh Start, and new income-driven repayment plans.
- Multiple opportunities to meet with your Congressional delegation on Capitol Hill, and a bootcamp session to review NCHER's Advocacy Priorities for the 2023 in advance of Congressional and agency visits.

[So Register Today!](#) Once you're doing registering, be sure that you make your hotel reservations at the Westin. NCHER has secured a room rate of \$199 per room, per night. You can call the hotel at 202-429-1700 or click [here](#) to make online reservations.

We look forward to seeing you in-person in Washington, DC!



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](#).

Penn Wharton Releases Analysis Finding Proposed Rule on IDR Cost More than Twice as Much as Department of Education Estimate

The University of Pennsylvania Wharton School of Business recently released an analysis titled, [Budgetary Cost of Newly Proposed Income-Driven Repayment Plan](#), which found that the proposed rule on income-driven repayment (IDR) will cost between \$333 to \$362 billion over the 10-year budget window, more than twice as much as the cost estimate released by the U.S. Department of Education. The costs are in addition to the one-time cost of federal student loan forgiveness estimated at \$469 billion. The analysis says that the Department released detailed regulations on amending the terms of the Revised Pay As You Earn plan, creating the most affordable IDR plan that has ever been made available to student loan borrowers.

The Department estimates the cost to be \$138 billion over 10 years under strict “static” assumptions where student take-up rates are the same for existing programs and student borrowing behavior remains unchanged. Under these same assumptions, Penn Wharton estimates a cost of around \$141 billion, close to the Department’s cost estimate. However, the school estimates that the IDR take-up rate will increase from 33 percent to between 70 percent to 75 percent of eligible loan volumes. It estimates that the cost of the IDR program will be between \$333 billion to \$361 billion over the 10-year budget window. Higher costs emerge at higher take-up rates. The analysis says that the estimates do not yet include the effects of students increasing their borrowing, which is subject to future research.

For further coverage, see this article from [CBS News](#).

House Appropriations Committee Chair Granger Releases Subcommittee Assignments

On Friday, House Appropriations Committee Chairwoman Kay Granger (R-TX) [announced](#) the Republican members that will serve on the 12 subcommittees that will be responsible for assembling the annual appropriations packages. The following are those members on the Labor, Health and Human Services, Education, and Related Agencies Appropriations Subcommittee and the Financial Services and General Government Appropriations Subcommittee:

Labor, Health and Human Services, Education

- Rep. Robert Aderholt (AL) – Chair
- Rep. Mike Simpson (ID)
- Rep. Andy Harris (MD)
- Rep. Chuck Fleischmann (TN)
- Rep. John Moolenaar (MI)
- Rep. Julia Letlow (LA)
- Rep. Andrew Clyde (GA)
- Rep. Jake LaTurner (KS)
- Rep. Jake Ellzey (TX)
- Rep. Juan Ciscomani (AZ)

Financial Services and General Government

- Rep. Steve Womack (AR) – Chair
- Rep. Mark Amodei (NV)
- Rep. Dave Joyce (OH)
- Rep. John Moolenaar (MI)
- Rep. Ashley Hinson (IA)
- Rep. Michael Cloud (TX)
- Rep. Jerry Carl (AL)
- Rep. Juan Ciscomani (AZ)

House Appropriations Committee Ranking Member Rosa DeLauro (D-CT) has not released the subcommittee assignments for her Democratic colleagues as of yet.

States Challenging Federal Student Loan Forgiveness Program File Brief with Supreme Court

On Friday, the six states that are challenging the U.S. Department of Education's federal student loan forgiveness program filed a [Respondents Brief](#) with the U.S. Supreme Court in response to the U.S. Department of Justice's (DOJ) brief filed earlier in January. DOJ's brief was covered in the January 5 edition of the NCHER Daily Briefing. DOJ now has until February 15 to reply, with oral arguments set for February 28, 2023.

According to the respondent brief, the states claim that the cancellation of hundreds of billions of dollars of federal student loans is a breathtaking assertion of power beyond anything Congress could have conceived and is a matter of great economic and political significance.

The states frame two issues for the court to consider:

1. Whether the state respondents have Article III standing; and
2. Whether the program exceeds the Secretary of Education's statutory authority or is arbitrary and capricious. On standing, the states argue that they have standing since the impending financial harm to MOHELA will injure Missouri; the states are facing direct harm to specific tax revenues; and the federal loan forgiveness program prompted broad loan consolidation causing injury to the states.

On the merits, the states argue that the loan forgiveness program lacks colorable - let alone clear - Congressional authorization and exceeds the Secretary's authority granted under the HEROES Act, the authority cited by the Biden Administration. They assert that this case is a "major questions" case, citing *West Virginia v. EPA*, decided in 2022. Major-questions cases are those "in which the history and the breadth of the authority that the agency has asserted, and the economic and political significance of that assertion, provide a reason to hesitate before concluding that Congress meant to confer such authority." The states argue that the proposed program is unheralded and that all of the elements of a "major questions" case are present.

They summarize the HEROES Act as permitting the Secretary to: (1) "waive or modify any statutory or regulatory provision applicable to the student financial assistance programs"

when (2) “necessary in connection with a . . . national emergency” and (3) “necessary to ensure that recipients of student financial assistance . . . who are affected individuals are not placed in a worse position financially in relation to that financial assistance because of their status as affected individuals.”

The states argue that keeping borrowers from a “worse position” does not permit the mass discharge of loan principal, which puts borrowers in a better position; the program does not waive or modify statutory and regulatory provisions; the program rests on a tenuous and pretextual connection to a national emergency; and the program’s broad scope exceeds the Secretary’s authority. The states claim that the payment pause, extended several times by both the Trump and Biden Administrations, is no analogue, as principal has not been forgiven.

The states also argue that the federal program should be set aside as arbitrary and capricious because alternatives were not considered, competing policy interests and cost were not weighed, the Secretary failed to “reasonably explain his arbitrary distinction between borrowers who applied to consolidate non-federally held Federal Family Education Loans before September 29, 2022 and those who did not; and the Secretary’s reliance on COVID-19 as justification for the program is “pretextual,” and thus his action is unlawful.

In conclusion, the states argue that the court should affirm the U.S. Court of Appeals for the Eighth Circuit’s injunction and reverse the district court’s judgment.

Department of Education Releases New Data on Applications for Federal Student Loan Forgiveness Program

On Friday, the White House published a [fact sheet](#) with new data on the over 25 million student and parent borrowers who applied for the U.S. Department of Education’s federal student loan forgiveness program during the four weeks that the plan was receiving applications last fall. Of those roughly 25 million applicants, over 16 million were approved and sent to federal loan servicers before the U.S. Court of Appeals for the Fifth Circuit prohibited the Department from further implementing the plan. The data shows that borrowers in some states were overwhelmingly taking advantage of the program.

The Department received the most applications from: California (2.2 million applications); Texas (2 million); Florida (1.5 million); New York (1.5 million); Pennsylvania

(1 million); Ohio (1 million); Illinois (1 million); and Georgia (about 950,000). The data does not include information on borrowers who did not apply but were deemed automatically eligible for relief because the Department already had their income information on file. But many of those borrowers also submitted applications. For more coverage, see this article from [Yahoo Finance](#).

House Education and the Workforce Committee Ranking Member Scott Releases List of Democratic Members

On Friday, House Education and the Workforce Committee Ranking Member Bobby Scott (D-VA) [announced](#) the Democratic members that will serve on the committee for the 118th Congress. All of the members are returning members from the previous Congress, including the following:

- Rep. Robert C. “Bobby” Scott (VA-03) – Ranking Member
- Rep. Raúl M. Grijalva (AZ-07)
- Rep. Joe Courtney (CT-02)
- Rep. Gregorio KililiCamacho Sablan (NMI-At Large)
- Rep. Frederica S. Wilson (FL-24)
- Rep. Suzanne Bonamici (OR-01)
- Rep. Mark Takano (CA-39)
- Rep. Alma S. Adams (NC-12)
- Rep. Mark DeSaulnier (CA-10)
- Rep. Donald Norcross (NJ-01)
- Rep. Pramila Jayapal (WA-07)
- Rep. Susan Wild (PA-07)
- Rep. Lucy McBath (GA-07)
- Rep. Jahana Hayes (CT-05)
- Rep. Ilhan Omar (MN-05)
- Rep. Haley Stevens (MI-11)
- Rep. Teresa Leger Fernández (NM-03)

- Rep. Kathy E. Manning (NC-06)
- Rep. Frank J. Mrvan (IN-01)
- Rep. Jamaal Bowman (NY-16)

In a statement, Ranking Member Bobby Scott said, “The Committee’s Democratic Members reflect a broad cross-section of America. They include educators, labor advocates, parents, business owners, and civil rights leaders. The expertise and experience they bring to this Committee will continue to be invaluable in our efforts to build an America where everyone can succeed. And, importantly, they will help protect the progress we made over the past two years from House Republicans’ extreme agenda. I look forward to getting into some ‘good trouble’ with my colleagues on behalf of the American people.”

FSA Releases Federal Pell Grant Payment and Disbursement Schedules

Last week, the U.S. Department of Education’s Office of Federal Student Aid (FSA) [published](#) a Dear Colleague letter sharing the 2023-2024 Federal Pell Grant payment and disbursement schedules. According to FSA, the maximum Pell Grant is \$7,395, and the minimum grant award is \$750. The letter clarifies that for the 2024-2025 year, “the FAFSA Simplification Act removes the requirement for a student to be enrolled as at least a half-time student to be eligible for the additional Pell Grant funds. Therefore, students who are enrolled less-than-half-time during a crossover payment period that overlaps July 1, 2024, may have eligibility for Pell Grant funds if their payment period is assigned to award year 2024-2025.”

U.S. Department of Education News

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

The following announcements were posted to the Federal Student Aid’s Knowledge Center Website:

- [\(CB-23-03\) 2021-22 Campus-Based Awards Closeout](#)
- [Comment Request: Student Assistance General Provisions-Subpart K-Cash Management](#)

- [\(GEN-23-02\) 2023-2024 Federal Pell Grant Payment and Disbursement Schedules](#)
-

Member News



The Boards of Directors of the Kentucky Higher Education Assistance Authority (KHEAA) and Kentucky Higher Education Student Loan Corporation (KHESLC) recently [announced](#) that they are seeking a dynamic leader to fill the position of Chief Executive Officer/Executive Director. KHEAA/KHESLC are sister

organizations created by state statute, whose joint mission is to enable Kentuckians to achieve their education goals beyond high school. The CEO/Executive Director will serve as one of the Commonwealth's leading policy advocates for financial access to and successful completion of postsecondary education, representing the interests of prospective and enrolled Kentucky students and their families. To apply, submit a cover letter and resume via email in PDF format to ceosearch@kheaa.com by 4:30 PM EST Tuesday, January 31, 2023. For more information, click [here](#).

General News

[Business Insider](#) reports that Sen. Elizabeth Warren (D-MA) says the White House could use other tools to carry out its federal student loan forgiveness program if the U.S. Supreme Court strikes it down, but “now is not the time to talk about Plan B.”

[Fox News](#) reports that the U.S. House of Representatives will take up legislation to end the national emergency for COVID-19, endangering the Biden Administration's legal case for federal student loan forgiveness.

[The Los Angeles Times](#) publishes an op-ed about the value of higher education (or lack thereof) for low-income students.

[Inside Higher Ed](#) reports that more colleges and universities have decided to stop participating in the rankings released by U.S. News and World Report.

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 © 2022

National Council of Higher Education Resources

1050 Connecticut Ave NW #65793

Washington, DC 20035

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

Fax: (202) 822-2142

MailPoet