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## NCHER Annual Conference: Draft Program Agenda Just Released!

NCHER will hold its Annual Conference on June 5-7, 2023 at the Hilton Fort Lauderdale, Florida. The conference, which is open and designed for everyone across the higher education finance industry, will provide attendees with ample opportunities to network, learn, and take information back home that they can use in their current jobs – from

hearing about the current trends and hot topics to exploring new and potential business opportunities. The NCHER Program Committee and staff just released the [draft agenda](#), which is packed with general and concurrent sessions as well as opportunities for small group discussions among industry experts. The current agenda includes:

- A federal outlook for 2023 that will discuss recent and anticipated actions by Congress, the U.S. Department of Education, and the U.S. Supreme Court, including the future of the federal student loan forgiveness program, the restart of federal student loan payment and collections, the new Income-Driven Repayment Plan, and the budget and appropriations process.
- An update on Federal Student Aid's actions on simplifying the FAFSA [Free Application for Federal Student Aid] and what NCHER members can expect to occur over the next few months as they prepare students and families for the anticipated release of the 2024-2025 FAFSA in December.
- Important general sessions examining current and emerging trends and practices in private education loans, hot topics in compliance, the borrower's perspective on return to repayment, and a federal regulatory update. It will also include an NCHER staple – our annual "Ask the Attorney's panel.
- Timely concurrent sessions examining efforts to support an educated workforce with a focus on non-degree seeking programs such as certification courses and a review of the Department of Education's third-party servicing guidance. It will also include small group break-out sessions centered on industry sectors so that attendees can talk about the most pressing issues of the day with their peers.

We urge all of the NCHER membership to [register](#) for the conference today and take advantage of the Early Bird registration rate. Also, be sure to make your hotel reservations [online](#) by calling (954) 414-2222. When calling the hotel, be sure to mention the NCHER 2023 Annual Conference in order to guarantee a room rate of \$199 per room, per night.

We look forward to seeing you for some fun and sun in Ft Lauderdale!

## House Appropriations Committee Announces Budget Hearing With Education Secretary Cardona Next Week

The House Appropriations Committee announced that it will hold a hearing titled, "Budget Hearing: Fiscal Year 2024 Request for the United States Department of Education," with Education Secretary Miguel Cardona. The hearing will be held this

Tuesday, April 18, 2023 at 10:00 a.m. ET. The hearing will be livestreamed on the [committee website](#).

## Department of Education Announces Delay in Third-Party Servicer Guidance

On Tuesday, U.S. Department of Education Under Secretary James Kvaal published a [blog post](#) announcing that the agency would delay the start date of its new guidance on third-party servicing that would broaden the definition of third-party vendors for colleges and universities. In the blog post, Under Secretary Kvaal said that the guidance would not take effect on September 1st while the Department reviews public comments that it received and that the final version's implementation would occur at least six months after an updated policy is published, with no exact timeline given. The Department received over 1,000 comments from the public expressing concern over the new compliance directives. Under Secretary Kvaal indicated that the updated guidance, once it is issued, will remove a contentious element of the policy that would have prevented institutions from higher education from working with foreign-owned third-party servicers or those whose owner or operator is not a U.S. citizen or permanent resident. The Department also stated that it would be seeking to clarify additional exceptions to the provisions in the guidance pertaining to educational content and retention services.

## Biden Administration Requests Supreme Court to Reject Emergency Request to Block Class-Action Borrower Defense Settlement

Recently, the U.S. Department of Justice submitted a [brief](#) in *Everglades College et al v. Cardona* in opposition to the emergency application by three for-profit colleges to stay a decision reached by the U.S. District Court for the Northern District of California rejecting their request to block the \$6 billion class-action settlement over borrower defense to repayment claims. The emergency application states that the President does not have the authority to cancel large amounts of federal student loan debt under the Higher Education Act, and that loans should not be discharged under the *Sweet v. Cardona* settlement until the U.S. Supreme Court makes a ruling in the separate case challenging the constitutionality of the broader federal student loan forgiveness program. In the brief, Solicitor General Elizabeth Prelogar said that the class-action lawsuit “does not reflect any ‘en masse’ cancellation of outstanding debt, nor an assertion by the Secretary of the power to discharge the Department’s entire \$1.6 trillion loan portfolio.”

She also argued that the three colleges do not have the necessary standing to challenge the Department of Education's agreement.

## Department of Education Sends Letter to College Presidents about FAFSA Implementation

Earlier this week, the U.S. Department of Education's Office of Federal Student Aid (FSA) sent a [letter](#) to college presidents, chancellors, and chief executive officers reminding them about the significant overhauls set to impact the federal financial aid system in the upcoming academic year, and urged leaders to be prepared for potential impacts the changes may bring especially around implementation of the new Free Application for Federal Student Aid. In the letter, FSA Chief Operating Officer Richard Cordray outlined a number of challenges that implementation of the new FAFSA could present for schools, and how they should consider preparing for these changes, including the following:

- The potential need for more institutional resources to provide adequate training for staff, including financial aid leaders and staff, student financial services, bursars, and others.
- A thorough review of current admissions and financial aid deadlines and practices as the 2024-25 FAFSA form will be available in December 2023.
- An increased number of students determined to be eligible for federal financial aid programs may require more staffing.
- Potential changes to current enrollment and/or retention strategies for utilizing institutional student aid programs and/or funds.
- More resources may be needed for software, security, and systems updates, as well as training to implement those changes.
- Insufficient financial resources for items like staffing, software updates, and training may increase risks of non-compliance, which could lead to audit findings, fines, and/or liabilities.

“Over the next several months, our teams will deliver specific outreach and training to institutional student financial aid administrators across the country,” COO Cordray said. “These trainings will be key to your success with this transition. We strongly recommend that you encourage and support participation by your financial aid team.”

## Department of Education Holds Virtual Meetings with Stakeholders on Third Regulatory Agenda

This week, the U.S. Department of Education concluded a series of virtual meetings held to hear feedback on its upcoming regulatory agenda that will serve as a precursor for the beginning of the third negotiated rulemaking process starting in the fall. In a previous notice, the Department said that it intends to revise federal rules governing third-party servicing such as online program management companies, rules governing student loan forbearances, distance education programs, accreditation, state authorization, cash management policies that govern how colleges disburse federal aid to their students, Return of Title IV aid, and federal TRIO programs. During this week's hearings, several speakers urged the Department to beef up consumer protections for students and better hold poorly performing institutions of higher education accountable. Other speakers criticized the agency's recently expanded definition of third-party servicers that assist colleges and universities in delivering services to students and families. Colleges have argued that this policy would impose onerous oversight on areas like study abroad programs. While originally scheduled for three days, at the end of yesterday's second session, the Department canceled the third day saying that all requests to provide input had been accommodated in the first two days.

## Bipartisan Senators Reintroduce Making Education Affordable and Accessible Act

Senators Gary Peters (D-MI), John Boozman (R-AR), Tim Kaine (D-VA), and Mike Braun (R-IN) recently reintroduced S. 1092, the "Making Education Affordable and Accessible Act," which seeks to expand existing federal grants to increase support for dual or concurrent enrollment initiatives. The bill would allow funding from the Fund for the Improvement of Postsecondary Education (FIPSE) authorized under the Higher Education Act to be used by institutions of higher education to:

- Carry out dual or concurrent enrollment programs as well as early college high school programming.
- Provide educators in these programs with professional development.
- Assist students in the program in covering education-related costs such as tuition and fees, books, and transportation.
- Support activities such as course design, course approval processes, community outreach, student counseling and support services.

“There are commonsense steps we can take to make higher education more accessible and affordable,” said Sen. Peters in a [press release](#). “My bipartisan bill would expand opportunities for high school students in Michigan and across the U.S. to obtain college credit and get a jump start on their careers, without taking on crippling student loan debt.”

## U.S. Department of Education News

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

The U.S. Department of Education [announced](#) that Federal Student Aid denied Florida Career College’s application to continue to participate in the federal student aid programs.

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

- [\(GRANTS-23-04\) 2022–23 Verification Reporting and Verification Status Code “W” Warning Message](#)
- [\(GENERAL-23-23\) Errata – Volume 1 – Student Eligibility \[2023-2024 Federal Student Aid Handbook\]](#)
- [\(GENERAL-23-22\) NSLDS Professional Access – Upcoming Special NSLDS Postscreening for Aggregate Loan Limits](#)
- [\(GENERAL-23-21\) FSA Letter to Presidents, Chancellors, and CEOs on Changes to Federal Student Aid and 2024-25 FAFSA Process](#)

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## General News

[The Hill](#) examines the possibility that the White House will extend the current federal student loan repayment pause again past August 30th.

[Inside Higher Ed](#) examines the discussion framing online college as how they can be both “promising” or “predatory.”

[Higher Ed Dive](#) outlines three state budget trends that the public should watch for higher education.

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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