



Monday, May 8, 2023

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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](#).

## House Education and the Workforce Committee to Markup Congressional Review Act Resolution on Federal Student Loan Forgiveness

The House Education and the Workforce Committee is scheduled to meet in executive session to consider [House Joint Resolution 45](#), a resolution of disapproval under the Congressional Review Act that would invalidate the U.S. Department of Education's initiative to cancel up to \$20,000 of federal student loan debt. It would also block the Biden Administration's extension of the suspension of monthly payments, interest, and collections for most federal student loan borrowers. The markup session will take place at 10:15 a.m. on Wednesday, May 10, 2023 in 2175 Rayburn House Office Building. It will be livestreamed on the [committee's website](#). Under the Congressional Review Act, the House and Senate can pass a joint resolution with a simple majority to nullify any recent rulemaking by a federal agency. In this case, the President will surely veto any effort to repeal the federal student loan forgiveness program, which the administration has aggressively defended in court. For additional coverage, see this article from [The Associated Press](#).

## Bipartisan Senators Introduce Educational Opportunity and Success Act

Last week, Sens. Tammy Baldwin (D-WI), Susan Collins (R-ME), Jon Tester (D-MT), and Shelley Moore Capito (R-WV) introduced the [Educational Opportunity and Success Act](#), which would reauthorize and modify the federal TRIO programs by increasing student stipends, updating application guidelines, and extending the time prospective grantees have to submit an application. According to a [press release](#), the legislation would "institute common-sense reforms to make it easier for educational institutions to reach students who would benefit from these programs. It would also prevent a recurrence of a situation in 2017 where the U.S. Department of Education rejected dozens of applications simply on the basis of non-substantive formatting criteria."

## Department of Education Announces \$42 Billion in Public Service Loan Forgiveness for More Than 615,000 Borrowers Since October 2021

Today, the U.S. Department of Education [announced](#) that over 615,000 borrowers have received Public Service Loan Forgiveness (PSLF), totaling \$4.2 billion, since October 2021. At the end of the previous administration, only about 7,000 borrowers had been approved for forgiveness under PSLF. In conjunction with the update, the Department also announced that it was making additional improvements to the PSLF Help Tool, which borrowers use to apply for the program. The improvements will, for the first time, let borrowers complete the entire PSLF application process online and borrowers will no longer need to fax or mail in their application with a wet signature. The agency said that allowing borrowers to submit e-signatures for themselves and request e-signatures from their employers will significantly decrease processing time.

“Since Day One, the Biden-Harris Administration has worked relentlessly to fix a broken student loan system, including by making sure we fulfill the promise of Public Service Loan Forgiveness for those who have spent a decade or more serving our communities and our country,” said Education Secretary Miguel Cardona in a statement. “To date, the Biden-Harris team has kept that promise for more than 615,000 teachers, nurses, social workers, servicemembers, and other public servants by approving a combined \$42 billion in student loan debt forgiveness. The difference that Public Service Loan Forgiveness is making in the lives of hundreds of thousands of Americans reminds us why we must continue doing everything we can to fight for borrowers and why families cannot afford to have progress derailed by partisan politicians. During Public Service Recognition Week –and every week—we thank all those who serve our communities.”

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

## Federal Reserve Releases Consumer Credit Report, Increased at 5.4 Percent in March

Last week, the Federal Reserve released its [Consumer Credit - G.19 Report](#), which shows that consumer credit increased at a seasonally adjusted annual rate of 5.4 percent in March 2023. Revolving credit (mostly credit card debt) increased at an annual rate of 12.3 percent, while nonrevolving credit (mostly auto loans and student loans) increased at an annual rate of 3.1 percent. Total outstanding consumer credit stood at \$4.851 trillion at the end of March, up \$26.5 billion from February. The report noted that current student loan balances total \$1.782 trillion, an increase of \$20.1 billion from the fourth quarter of 2022.

## CBO Releases Monthly Budget Review for April

Today, the Congressional Budget Office (CBO) released the [Monthly Budget Review - April 2023](#), which found that the federal budget deficit was \$928 billion in the first seven months of Fiscal Year (FY) 2023, \$568 billion more than the shortfall recorded during the same period last year. Federal revenues were 10 percent lower and outlays were 8 percent higher from October 2022 through April 2023 than they were during the same period in FY 2022. CBO said that shifts in the timing of certain payments affected the year-to-year comparison. The report noted that outlays for the U.S. Department of Education increased by \$48 billion (or 56 percent), primarily because, earlier in this fiscal year, the Department recorded the costs associated with a final rule issued on October 31, 2022 concerning federal student loans. That rule expanded eligibility for loan discharges, eliminated the addition of unpaid interest to loan balances in certain circumstances, and expanded eligibility for the Public Service Loan Forgiveness program.

## Gallup and Lumina Release State of Higher Education 2023 Report

Last week, Gallup and the Lumina Foundation released a new report titled, [State of Higher Education 2023](#), based on a survey conducted by the two organizations that aimed to gain insights into college enrollment, student perceptions of education, and factors that contribute to completion rates. The survey found that more than half of postsecondary students who did not receive a credential would consider re-enrolling if they received some form of student loan debt relief, indicating that financial barriers continue to be a significant obstacle for students. The survey also revealed that 41 percent of postsecondary education program enrollees had considered leaving their program in the past six months, with emotional stress and mental health being significant barriers.

## 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:

- [\(GENERAL-23-33\) StudentAid.gov Enhancements and Modifications Starting April 2023](#)

- [\(GENERAL-23-32\) Additional Fact Sheet for Prison Education Programs](#)
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## General News

[USA Today](#) examines how FAFSA [Free Application for Federal Student Aid] simplification may result in some borrowers receiving less aid.

[The Hill](#) reports that the future of federal student loan forgiveness looms over the White House in 2024.

[Higher Ed Dive](#) reports that Moody's recently stated the U.S. Department of Education's guidance on online program managers or OPMs could harm colleges and universities that rely on the companies to recruit students.

[The Hill](#) reports that Congressional leaders are bracing for a critical meeting between President Joe Biden and House Speaker Kevin McCarthy (R-CA) on the debt limit that is slated to take place today.

[The Wall Street Journal](#) Reports that scammers cheated student loan borrowers out of millions, according to the Federal Trade Commission.

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