# NCHER BRIEFING

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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**.

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## House Passes National Defense Authorization Act, Includes New Deferment for Dislocated Military Spouses

On Friday, the U.S. House of Representatives passed H.R. 2670, the National Defense Authorization Act, which provides funding for the nation's defense programs, by a vote of 219 to 210. As previously reported, the bill would amend the Higher Education Act to provide a new student loan deferment for dislocated military spouses who have Federal Direct Stafford Loans or Federal Direct Consolidation Loans. There are no other higher education-related provisions included in the legislation. The U.S. Senate is expected to begin consideration of its version of the bill later this week; it does not include a new deferment so the issue will have to be addressed by a conference committee that will be tasked with working out the differences between the two versions.

## House Appropriations Subcommittee Passes FY 2024 Labor, Health and Human Services, Education, and Related Agencies Appropriations Act; Education Groups React

On Friday, the House Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies met in executive session and passed the Labor, HHS, Education, and Related Agencies Appropriations Act for Fiscal Year 2024 by voice vote. The bill now heads to the full House Appropriations Committee for consideration, which may occur as early as next week. As is common practice, there were no amendments offered during subcommittee markup; all members hold amendments on appropriations bills until markup in Full Committee.

In his opening statement at the markup, Subcommittee Chairman Robert Aderholt (R-AL) said that the nation is suffering from high inflation which has been made worse by the massive infusion of federal spending included in the Inflation Reduction Act and multiple COVID-19 relief packages. He said that the bill intends to reduce federal spending across agencies under the subcommittee's jurisdiction, focusing on those programs that are not authorized or duplicative of existing funding. "I don't pretend this is a perfect bill; no bill in Congress is ever a perfect bill," Chairman Aderholt said. "But we live in difficult times, our nation remains mired in high inflation, which has only been worsened by the massive infusion of government spending, both during and immediately after the COVID pandemic." In her opening statement, Subcommittee Ranking Member Rosa DeLauro (D-CT) urged all members to vote against the bill, calling it a warning of Republicans' intent to "end public education in America."

As previously reported, the legislation provides $67.4 billion in discretionary funding for the U.S. Department of Education, which is $12.1 billion (or 15 percent) below the FY 2023 enacted level and $22.6 billion below the President's budget request. The bill provides $22.475 billion for federal financial aid programs, including Pell Grants, TRIO Programs, and GEAR Up, which is $2 billion below last year's level. The bill eliminates Federal Work Study and Supplemental Educational Opportunity Grants, cuts Federal Student Aid's administrative budget by $265 million, and extends account maintenance fees paid to guaranty agencies for an additional year. Lastly, the bill includes a number of policy riders blocking the Department's recent efforts on income-driven repayment and loan forgiveness. Because of $10 billion in rescissions to K-12 programs, Democrats point out that the bill's cuts are actually closer to 30 percent.

Federal spending on domestic programs will be largely flat for the upcoming fiscal year as part of the Fiscal Responsibility Act reached by Congress and the White House earlier this year to avert a default on the national debt. Following the deal, House Republican leaders said it set "a ceiling, not a floor," and decided to write appropriations bills at FY 2022 levels—meaning deeper cuts to agencies' bottom lines.

For more information, including an archived webcast of the markup session, visit the committee website.

Following the release and passage of the legislation, several education groups expressed concern with the extent of the proposed cuts to both elementary and secondary and higher education programs. "We are very concerned and we are appalled by the elimination of programs that we've seen," said American Council on Education Senior Director of Government Relations Emmanual Guillory, told Inside Higher Ed. "Cutting funding for programs that impact students is not something that we take lightly and is not something that we support, especially when there is no remedy to make up for that loss of funding elsewhere to benefit those students." The Senate Appropriations Committee is expected to release its version of the legislation next week with possible consideration by its Subcommittee on Labor, HHS, Education, and Related Agencies and Full Committee. The Senate committee is planning to draft its bill based on the budget deal, setting up a clash between the two chambers over the budget.

For further coverage, see this article from Inside Higher Ed.

## Department of Education Announces Discharge of $39 Billion in Federal Student Loans by Implementing One-Time IDR Payment Count Adjustment

Last week, the U.S. Department of Education announced that 804,000 borrowers will receive $39 billion in automatic loan forgiveness following the implementation of adjustments to Income-Driven Repayment (IDR) Plans. According to a press release, the discharges are a result of fixes implemented by the Biden Administration to ensure all borrowers have an accurate count of the number of monthly payments that qualify toward forgiveness under IDR plans and address past failures in the administration of the federal student loan program in which qualifying payments made under IDR plans that should have moved borrowers closer to forgiveness were not accounted for. Borrowers are eligible for forgiveness if they have accumulated the equivalent of either 20 or 25 years of qualifying months.

For additional coverage, see this article from Yahoo Finance.

## U.S. Department of Education News

For today's Federal Register, click here.

The following announcement was posted to Federal Student Aid's Knowledge Center:

- (APP-23-07) Draft 2024–25 FAFSA Specifications Guide (July 2023 Update) Now Available

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## General News

Forbes examines the five steps that borrowers should take now to be ready for the restart of repayment on their federal student loans.

WGME reports on Maine's decision to extend its free community college program through 2025.

Higher Ed Dive reports on a recent hearing by the House Education and the Workforce Committee examining higher education's ties to foreign money.

Forbes examines what student and parent borrowers should do if their student loans are not forgiven.

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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