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BRIEFING

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NCHER
Weekly Rundown

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](#).

Department of Education Begins Second Session of Negotiated Rulemaking on Federal Student Loan Forgiveness

Today and tomorrow, the U.S. Department of Education holds the second of three two-day meetings of its Student Loan Relief Committee, which has been tasked with revising federal regulations to provide loan forgiveness under the Higher Education Act. . During this session, the committee will be reviewing draft regulatory language to forgive federal student loan debt and an issue paper on what constitutes borrower hardship consistent with the five categories outlined during the first neg-reg sessions that took place in mid-October, such as when a loan first entered repayment 25 years ago or when the balance of a loan exceeds the original principal balance. As previously reported, Scott Buchanan and Benjamin Lee are representatives of FFELP holders, servicers, and guarantors and the community is actively involved in discussions on how these proposals will affect federal student loan borrowers. For additional information on the neg-reg session, visit the [Department's website](#).

For additional coverage, see the following articles:

- [What Biden's new student loan forgiveness plan could mean for borrowers - Vox](#)
- [Student loan debt forgiveness committee meets on Biden's proposals - USA Today](#)

Congressional Democrats Send Letter to Education Secretary Cardona Urging Loan Forgiveness Funds Be Recouped from For-Profit Colleges

Last week, House and Senate Democrats sent a [letter](#) to Secretary of Education Miguel Cardona asking the U.S. Department of Education to recoup funds forgiven through borrower defense to repayment claims from for-profit colleges to pay for the more than \$100 million in discharged federal student loan debt. In the letter, the lawmakers reference the circumstances surrounding Ashford University and the University of Phoenix, applaud the Department's plan to recoup funds from the schools, urge the agency to continue to reach out to borrowers who attended the schools but have yet to file a claim, and provide accessible and streamlined ways for these borrowers to get relief. The letter also urges Secretary Cardona to review whether the institutions of higher

education should continue to be eligible for federal student aid.

College Board Releases Trends in College Pricing and Student Aid Report

The College Board recently published its annual [Trends in College Pricing and Student Aid 2023](#) report, which found that tuition increases have slowed and students' methods of paying for college have changed over the last few years. The report found that grant aid per student increased over the past 20 years (led by increases in institutional grant aid as funding for Pell Grants fell), while federal student loan borrowing has decreased over that same time period, likely due to the pandemic. The report includes the following key points:

- In 2023-24, the average published (sticker) tuition and fees for full-time undergraduate students enrolled in public four-year in-state: \$11,260, \$270 higher than in 2022-23 (2.5 percent before adjusting for inflation); public four-year out-of-state: \$29,150, \$850 higher than in 2022-23 (3.0 percent before adjusting for inflation); public two-year in-district: \$3,990, \$100 higher than in 2022-23 (2.6 percent before adjusting for inflation); and private nonprofit four-year: \$41,540, \$1,600 higher than in 2022-23 (4.0 percent before adjusting for inflation). After adjusting for inflation, all these one-year percent changes are negative as the average CPI in the first eight months of 2023 is 4.5 percent higher than that in the first eight months of 2022.
- In 2023-24, average estimated budgets (tuition and fees, housing and food, and allowances for books and supplies, transportation and other personal expenses) for full-time undergraduate students range from \$19,860 for public two-year in-district students and \$28,840 for public four-year in-state students to \$46,730 for public four-year out-of-state students and \$60,420 for private nonprofit four-year students.
- Between 1993-94 and 2023-24, average published tuition and fees increased from \$2,650 to \$3,990 at public two-year, from \$5,380 to \$11,260 at public four-year, and from \$23,300 to \$41,540 at private nonprofit four-year institutions, after adjusting for inflation. Over the decade between 2013-14 and 2023-24, average inflation-adjusted tuition and fees declined by 6 percent at public two-year colleges, declined by 4 percent at public four-year institutions, and increased by 5 percent at private nonprofit four-year institutions.

- In 2022-23, undergraduate students received an average of \$15,480 per full-time equivalent (FTE) student in financial aid: \$10,680 in grants, \$3,860 in federal loans, \$850 in education tax credits and deductions, and \$90 in Federal Work-Study (FWS). In 2022-23, undergraduate and graduate students received a total of \$240.7 billion in student aid in the form of grants, FWS, federal loans, and federal tax benefits. Students borrowed about \$14.7 billion from non-federal sources. Total federal grant aid decreased by 33 percent in inflation-adjusted dollars between 2012-13 and 2022-23. Pell Grants declined by 33 percent (\$13.7 billion) and veterans' benefits declined by 35 percent (\$5.3 billion). Between 2012-13 and 2022-23, federal loans to undergraduates fell by 49 percent, while federal loans to graduate students declined by 11 percent.
- In 2022-23, after the 12th consecutive decline in annual education borrowing, students and parents borrowed \$98.2 billion in federal and nonfederal loans, down from a peak of \$152.8 billion (in 2022 dollars) in 2010-11. Federal loans per FTE undergraduate student declined to \$3,860 in 2022-23, from a peak of \$6,970 (in 2022 dollars) in 2010-11. Federal loans per FTE graduate student declined to \$17,490 in 2022-23, from a peak of \$22,930 in 2010-11. The share of annual federal education loans going to graduate students (who constitute about 16 percent of all postsecondary students) rose from 36 percent (\$34.6 billion out of \$94.9 billion in 2022 dollars) in 2007-08 to 47 percent (\$39.4 billion out of \$83.5 billion) in 2022-23. In 2022-23, 446,000 graduate students borrowed through the grad PLUS program; 1.3 million borrowed unsubsidized loans. The average amount borrowed through the PLUS program was \$10,430 higher than the average unsubsidized loan (\$29,780 vs. \$19,350). Non-federal education loans fell from about \$31.5 billion (in 2022 dollars) in 2007-08 to \$10.3 billion in 2010-11 and rose to about \$14.7 billion in 2022-23.
- As of March 2023, 32 percent of borrowers owed less than \$10,000 and 21 percent of borrowers owed between \$10,000 and \$20,000 in federal loan debt. These borrowers held 4 percent and 8 percent of the outstanding federal debt, respectively.
- Among 2021-22 bachelor's degree recipients from public and private nonprofit four-year institutions, 51 percent graduated with debt and the average debt among borrowers was \$29,400. In 2021-22, 49 percent of bachelor's degree recipients from public four-year institutions graduated with federal loans with an average federal debt level of \$20,700 per borrower; 52 percent of bachelor's degree recipients from private nonprofit four-year institutions graduated with federal loans with an average federal debt level of \$22,200. The share of 2019-20

bachelor's degree recipients who borrowed \$50,000 or more for undergraduate studies ranged from 8 percent of those who earned their degrees at public four-year colleges and universities to 26 percent of those who graduated from for-profit institutions. In 2019-20, 13 percent of master's degree recipients, 13 percent of doctoral degree recipients, and 57 percent of professional degree recipients borrowed \$100,000 or more to fund their undergraduate and graduate study.

House Education and Workforce Committee Set to Mark Up DETERRENT Act on Foreign Gifts on Wednesday

The House Education and the Workforce Committee plans to meet in the executive session to consider H.R. 5933, the Defending Education Transparency and Ending Rogue Regimes Engaging in Nefarious Transactions (DETERRENT) Act on Wednesday. The bill would lower the threshold of when institutions of higher education have to report foreign gifts from \$250,000 to \$50,000, and would further reduce the threshold to \$0 for gifts coming from “countries and entities of concern,” according to the [fact sheet](#). The bill would require staff and faculty at research institutions to disclose their individual foreign gifts and contracts, and implement repercussions including fines or loss of federal student aid eligibility for colleges that are noncompliant in reporting their foreign gifts. It would also direct the U.S. Department of Education to establish and maintain a searchable, public database that includes all reports submitted by colleges and universities. Committee Chairwoman Virginia Foxx (R-NC) has argued that more scrutiny over foreign gifts received by institutions is necessary to protect schools and students from security risks, stolen research, and undue influence from bad actors.

The markup session will be held at 10:15 a.m. on Wednesday in Room 2175 of the Rayburn House Office Building. It will also be livestreamed on the [committee's website](#).

Sens. Hassan, Murkowski Introduce Substance Use Disorder Treatment and Recovery Loan Repayment Program Reauthorization Act

Sens. Maggie Hassan (D-NH) and Lisa Murkowski (R-AK) recently introduced the [Substance Use Disorder Treatment and Recovery Loan Repayment Program Reauthorization Act](#), which reauthorizes the federal program that offers up to \$250,000 in loan repayment funds for substance abuse professionals who work directly in

treatment or recovery services. The bill provides more funding for the program by increasing the amount authorized from \$25 million to \$50 million and treats the repayment funds as tax-exempt. A similar bill was introduced in the U.S. House of Representatives earlier this year, with a slightly smaller funding level of \$40 million.

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:

- [\(GEN-23-14\) Regulations Governing the Recognition of Accrediting Agencies, Institutional Eligibility, and Arbitration](#)

Member News



ECMC Assumes Responsibility for Loans Guaranteed by North Carolina State Education Assistance Authority (NCSEAA)

Educational Credit Management Corporation (ECMC) announced that it had become the designated guaranty agency for the North Carolina State Education Assistance Authority (NCSEAA) Federal Family Education Loan Program (FFELP) portfolio as of

November 1st. Since the appointment of ECMC as the designated agency was made, ECMC has been working closely with NCSEAA to ensure a smooth transition of services for students with outstanding loans made under FFELP. "ECMC is well positioned to help former NCSEAA borrowers navigate options to resolve their student loans with high-quality customer service leveraging our flexible technology platform," said Chad Tate, ECMC President. ECMC is the designated guarantor in Virginia, Oregon, Connecticut, California, Tennessee, South Carolina, Rhode Island, Maine, Illinois, Missouri, Louisiana, and Utah, the third-party guarantor servicer for three clients and the SaaS provider for two clients.

General News

[Time Magazine](#) interviews several legal experts who predict that the U.S. Department of Education will be unable to deliver on its plan for federal student loan forgiveness.

[CBS News](#) reports on the trend of some students turning to GoFundMe to help pay off their federal student loans.

[Inside Higher Ed](#) reports that Spring Hill College, a small private college in Alabama, is hoping to boost undergraduate enrollment by promising free graduate tuition if students complete their undergraduate degree on time and with a high grade point average.

[Forbes](#) publishes an article saying that the deadline for borrowers to apply for and receive adjustments for payments made under Income Driven Repayment is nearing but it could get extended by the U.S. Department of Education.

Rep. Alyanna Pressley (D-MA) [announced](#) that she was joined by Massachusetts Attorney General Andrea Campbell, Boston Mayor Michelle Wu, and Sen. Elizabeth Warren (D-MA) for a clinic to help federal student loan borrowers access to Public Service Loan Forgiveness (PSLF). This temporary opportunity, called the Payment Count Adjustment, enables government and nonprofit workers to get credit toward forgiveness for past repayment periods that would not otherwise qualify. Rep. Pressley said that some federal loan borrowers must consolidate their privately owned federal loans into the Direct Loan Program by December 31, 2023. The officials urged public sector and nonprofit employees to learn about PSLF and the steps they need to take to benefit from the upcoming Payment Count Adjustment. They also discussed available guidance and resources for borrowers.

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