

[View in browser](#)



# **D** **AILY BRIEFING**

---

**Wednesday, May 26, 2021**

In Today's Issue...

**White House Chooses Lisa Brown to Serve as General Counsel of the Department of Education**

**Treasury Holds Meeting of the Financial Literacy and Education Committee on Reducing Economic Inequity**

**Education Secretary Cardona Holds Virtual Roundtable on Pell Grants for Incarcerated Individuals**

**House Financial Services Subcommittee Holds Hearing on Consumer Credit Reporting**

**NACAC Releases Survey Results on Colleges Plans to Reopen**

## **SHEEO Report Finds State Appropriations Increased for Eighth Consecutive Year**

## **Cengage Releases Graduate Employability Report**

## **HBCU Caucus Introduces IGNITE HBCU Excellence Act**

## **Bill Introductions**

## **U.S Department of Education News**

## **General News**

## **White House Chooses Lisa Brown to Serve as General Counsel of the Department of Education**

Today, the White House announced that it has selected Lisa Brown to serve as the next General Counsel at the U.S. Department of Education. Previously, Ms. Brown was Vice President and General Counsel of Georgetown University, served as Staff Secretary in the White House in the Obama Administration, and was Acting Chief Performance Officer at the Office of Management and Budget and during the Clinton Administration. She also served as a career attorney at the U.S. Department of Justice and as counsel to Vice President Al Gore. In a [statement](#), Education Secretary Miguel Cardona said that Ms. Brown, “will serve as a great asset to the Department as we fight for equal opportunity for all students, reopen America's schools for in-person learning, and work to close equity gaps in our education system.”

## **Treasury Holds Meeting of the Financial Literacy and Education Committee on Reducing Economic Inequity**

Today, the U.S. Department of the Treasury hosted a meeting of the Financial Literacy and Education Committee (FLEC) on the role of financial education in reducing economic inequity. In opening the

meeting, Secretary of the Treasury Janet Yellen said that African Americans remain unemployed at roughly twice the rate of their white peers and the number has not changed much over the last 50 years. She said that, during the COVID-19 pandemic, African Americans were the first to lose their small businesses and their jobs. She said that, while financial education alone cannot address the inequities of the past 15 months or 50 years, “research shows that education - especially early education about how to navigate personal finances - can have a lasting, positive impact on people’s lives.” She said that people who finish high school in states with robust financial education have better credit scores, fewer delinquencies, and make more informed decisions about college financing.

Following Secretary Yellen’s remarks, the committee had a further discussion on the topic with John Hope Bryant, Founder, Chairman, and Chief Executive Officer of Operation Hope; Marc Morial, President and Chief Executive Officer of the National Urban League; Marietta Rodriguez, President and Chief Executive Officer of NeighborWorks; John Rogers, Jr., Chairman, Co-Chief Executive Officer, and Chief Investment Officer of Ariel Investments; Justine Zinkin, Chief Executive Officer of Neighborhood Trust Financial Partners; and Wally Adeyemo, Deputy Secretary of the Department of Treasury. Then, the FLEC members had a discussion with Dave Uejio, Acting Director of the Consumer Financial Protection Bureau, and Todd Harper, Chairman of the National Credit Union Administration. For more information, visit [FLEC’s website](#).

## Education Secretary Cardona Holds Virtual Roundtable on Pell Grants for Incarcerated Individuals

Yesterday, Education Secretary Miguel Cardona [held](#) a virtual roundtable to showcase the importance of providing Pell Grants for incarcerated individuals. During the roundtable, the Secretary spoke to several students and former students who took college courses in prison. The Department said that the roundtable allowed Secretary Cardona to hear directly from students who have gone through college in prison programs and provided insight on how the U.S. Department of Education can best serve these students going forward. All of the students agreed that more resources are needed to help connect colleges with prisons so more incarcerated individuals have access to quality education. Secretary Cardona closed the roundtable reaffirming his commitment to the Second Chance Pell Experiment that allows about 100 colleges and universities to offer Pell Grants to incarcerated individuals. Later this year, the Department is expected to convene a negotiated rulemaking session to implement legislation that Congress passed in December removing the legislative ban preventing incarcerated students outside the experiment from receiving access to Pell Grants.

## House Financial Services Subcommittee Holds Hearing on Consumer Credit Reporting

Today, the House Financial Services Subcommittee on Oversight and Investigations held a hearing titled, “Consumer Credit Reporting: Assessing Accuracy and Compliance.” A Committee Memorandum on the hearing can be found [here](#). In her opening statement, Full Committee Chairwoman Maxine Waters (D-CA) said that the House has passed several bills to “fix the broken credit reporting system, but the Senate has failed to act. Unfortunately, consumer credit reporting complaints to the Consumer Financial Protection Bureau (CFPB) more than doubled from 2019 to 2020, suggesting a surge in more credit reporting errors during the pandemic.”

In her [testimony](#), National Consumer Law Center Staff Attorney Chi Chi Wu said that complaints to the CFPB about credit reporting problems have doubled in the last year. Accuracy problems include: mixed files where the credit histories of two different consumers are mixed together; identity theft as accounts were not being properly removed from the victim’s file, borrowers being falsely declared dead; and errors by creditors and debt collectors who supply information to the credit bureaus. She also said that there have numerous violations of the credit reporting protections included in the Coronavirus Aid, Relief, and

Economic Security or CARES Act. In her view, credit reporting agencies use a “broken dispute resolution system that is over-automated and uniformly biased against consumers, almost always taking the side of the creditors and debt collectors that supply information.”

In her [testimony](#), Equifax Global Consumer Solutions President Beverly Anderson said that, during the COVID-19 pandemic, many consumers have experienced dramatic financial changes. As a result, “consumers reviewed their credit reports more often to confirm their credit standing and take greater control of their financial well-being. Because of this increased scrutiny, consumers frequently submitted concerns about their credit reports and the CARES Act accommodations.” She relayed that the CFPB complaint portal has been inundated with the rise of credit repair organizations’ submissions disputing accurate but adverse information on consumers’ credit reports. In her [testimony](#), Experian Senior Vice President of Operations Sandy Anderson said credit bureaus accurately compile individuals’ payment histories reported by creditors so that lenders can use this data to make sound underwriting decisions. The benefits to this approach include fewer defaults and lower costs of credit for consumers and greater availability of consumer credit across the economy. Because credit bureau data is blind to factors such as race, color, religion, and gender, it helps lenders ensure compliance with the Equal Credit Opportunity Act. Ms. Anderson identified Experian Boost as a game-changer. This service allows consumers the opportunity to safely and easily opt-in to having monthly payment information on accounts that are not reported to the consumer reporting agencies included directly into their credit report, which can improve their credit score.

In his [testimony](#), TransUnion Consumer Interactive President John Danaher offered several recommendations to improve credit reporting, including expanding alternative data and improving the dispute process and timelier reporting of credit events. Of interest to NCHER members, he said some student loan servicers continue to report each disbursement as a separate account, which, if a payment is missed, results in a disproportionate negative impact. TransUnion recommends policymakers encourage reporting standards for student loans to better support for our nation’s student borrowers. In her [testimony](#) on behalf of the Consumer Data Industry Association, Hudson Cook Partner Rebecca Kuehn indicated that credit reporting companies “are helping solve the problem of the unbanked and credit invisible populations by expanding the kinds of data collected, such as rental history or payments on telephone and other utility bills, giving lenders and others information that allow more consumers to responsibly access traditional financial services and integrate consumers into the mainstream financial system.”

During the question-and-answer portion of the hearing, Chairwoman Waters pressed the witnesses for data on consumer credit disputes. Subcommittee Ranking Member Andy Barr (R-KY) asked the witnesses about risk-based pricing and their opinion on the Biden Administration’s proposal for a federal credit reporting bureau. Ms. Kuehn said that, if risk-based pricing were abandoned, the cost of credit would go up. She also said the competition among the three national credit bureaus benefits consumers. She also expressed concern about whether reports generated from a federal credit bureau would be unbiased. Rep. Rashida Tliab (D-MI) asked the witnesses whether they would support a disparate impact study of credit reporting, and asked what credit scores have to do with insurance underwriting. She said the credit reporting agencies should be ashamed of keeping minorities in poverty. In closing the hearing, Subcommittee Chairman Al Green (D-TX) asked each of the consumer credit agencies to discuss the accuracy of their data. Ms. Anderson (Experian) and Mr. Danaher (TransUnion) responded that, respectively, their data is 99 percent and 98 percent accurate. Ms. Anderson (Equifax) declined to answer the question.

For more information on the hearing, including an archived webcast, visit the [committee website](#).

## NACAC Releases Survey Results on Colleges Plans to Reopen

The National Association for College Admission Counseling (NACAC) recently released a [survey](#) of more than 450 member institutions on their plans for opening their campuses for the fall semester. According to the survey, 78 percent of institutions of higher education plan to resume all in-person classes for the fall 2021 as a result of the decline in the COVID-19 pandemic. The survey also found that:

- 71 percent of colleges will have a mix of in-person and online classes over the summer.
- 84 percent of institutions said they will be test-optional or test-blind for the coming year, or not require fall 2022 applicants to submit SAT or ACT scores.

- Nearly 61 percent of colleges will allow international students to defer if they have difficulty obtaining a visa to enter the United States.

## **SHEEO Report Finds State Appropriations Increased for Eighth Consecutive Year**

The State Higher Education Executive Officers (SHEEO) released its [State Higher Education Finance Report](#), which shows that state and local education appropriations per full-time student increased for the eighth consecutive year in Fiscal Year 2020 to an average of \$8,636, rising by nearly 3 percent. Combined, state and local support totaled \$108 billion. That figure includes \$428 million in federal stimulus funding, which helped offset midyear spending cuts implemented by some states in response to the pandemic. Despite the years of increases, state and local funding for public higher education has not fully recovered from cuts made during the 2008 recession. Since the COVID-19 pandemic first strained state budgets last spring, higher education experts have warned that public higher education could experience devastating cuts in future years. But federal assistance helped ease some of those concerns, said Brian Prescott, Vice President at the National Center for Higher Education Management Systems, a nonprofit group focused on higher education strategy for institutions and states. For more coverage of the report, see these articles from [Inside Higher Ed](#) and [Higher Ed Dive](#).

## **Cengage Releases Graduate Employability Report**

Cengage recently released its [Graduate Employability Report](#) that looks to understand how the nation's education system can be reinvented and improve career-readiness. The digital learning and textbook company conducted a survey of 1,600 recent college graduates from two- and four-year institutions to learn how education enhances employability and at what cost. The report stressed three main themes: Students are making tremendous investments in college and our education system must better equip them with the skills they need to enter the workforce; the perception of a degree - even among two- and four-year graduates - affects job applicant confidence; and colleges and universities must prioritize career-readiness and employers must de-stigmatize non-traditional degrees. The report's main conclusions include the following:

- Today's graduates have invested in a two- or four-year degree that could take more than 10 years to pay off and costs at least 21 percent of their monthly salary, causing them to consider a loan forbearance on their student debt.
- One in five graduates surveyed say their college experience did not provide them with the skills they needed to perform their first job, meaning basic business acumen is missing from college course instruction for one in three respondents (33 percent).
- Even with a degree in hand, graduates are not confidently entering the workforce. Unfortunately, 2-year degrees are still stigmatized. Graduates cannot shake the perception that their degree does not "compete" with peers who attended a four-year college or followed a more traditional education path.
- Changing employers and employee's mindset has the power to unlock a more diverse hiring pool and create a more inclusive and highly skilled workforce. Fifty-eight percent of recent grads are not convinced that employers should require a traditional degree to apply to most jobs.

For more coverage of the report, see these articles from [Inside Higher Ed](#) and [Diverse Issues in Higher Education](#).

## **HBCU Caucus Introduces IGNITE HBCU Excellence Act**

The Historically Black Colleges and Universities (HBCU) Congressional Caucus made up of Democrats and Republicans in the House and Senate recently introduced the IGNITE HBCU Excellence Act. The legislation, formally known as the Institutional Grants for New Infrastructure, Technology, and Education for HBCU Excellence Act, would establish a competitive grant program to fund upgrades to campus facilities at public and private HBCUs, new equipment for research, greater access to high-speed broadband, and preservation of historic buildings. It was introduced by Reps. Alma Adams (D-NC) and French Hill (R-AR) in the House and Sens. Tim Scott (R-SC) and Chris Coons (D-DE) in the Senate. “Our HBCUs deserve a level of investment and engagement reflective of their multimillion-dollar impact on our nation’s economy and their collective impact on the minds of millions of our nation’s future leaders,” Rep. Adams said in a press release. “It’s past time for our HBCUs to stop receiving disparate treatment.” For more coverage of the bill, see this article from [Inside Higher Ed](#).

## Bill Introductions

H.R.3486 — To direct the Secretary of Education to deem each month for which certain federal student loans are in deferment during a period of active-duty service as months counted toward public service loan forgiveness.

Sponsor: Rep. Courtney, Joe [D-CT-2] (Introduced 05/25/2021) Cosponsors: (1)

Committees: House - Education and Labor

Latest Action: House - 05/25/2021 Referred to the House Committee on Education and Labor

[Press Release](#): Courtney Introduces Bipartisan Bill To Allow Active-Duty Servicemembers To Count Full-Service Period Towards Public Service Loan Forgiveness

## 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:

- [Implementation of updated clock-to-credit conversion regulations \(EA ID: GENERAL-21-34\)](#)

## General News

[Diverse Issues in Higher Education](#) reports that, as Congress and the Biden Administration debate student loan relief, borrowers continue to struggle.

[CNBC](#) reports on what borrowers should consider now that President Joe Biden has decided not to include student loan debt forgiveness in his budget request that is being sent to Congress on Friday.

[CityNews](#) reports on what it would take to solve the student loan debt crisis.

[Inside Higher Ed](#) and [The Chronicle of Higher Education](#) report that some institutions of higher education took the COVID-19 crisis as an “opportunity to turbocharge the corporate model,” says a new report from the American Association of University Professors. Without declaring financial exigency, they laid off faculty members “as expeditiously as if colleges and universities were businesses whose Chief Executive Officers suddenly decided to stop making widgets or shut down the steelworks.

[Inside Higher Ed](#) reports that the Community College Research Center at Columbia University and the Lumina Foundation released a new report on a series of new studies outlining strategies for supporting adult learners of color in college.

[CNBC](#) reports that women were struggling with student loan debt before the COVID-19 pandemic and their problems could get worse.

Click on the following date for a PDF version the NCHER Daily Briefing:  
[May 26, 2021](#)

[Subscription Information](#) | [Terms of Use](#) | [Daily Briefing Archives](#)

**Copyright © 2021**  
**National Council of Higher Education Resources**  
1050 Connecticut Ave NW  
#65793  
Washington, DC 20035  
**Phone: (202) 822-2106**  
Fax: (202) 822-2142

*This Daily Briefing was sent to:*

*@@first\_name@@ @@last\_name@@.*

[Click HERE](#) to unsubscribe.

*Do not forward this email with this link included.  
Anyone clicking on this link will unsubscribe you from the Daily Briefing distribution.*