



# DAILY BRIEFING

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## White House Releases Updated Framework for Build Back Better Act, But Support Shaky

Today, the White House [released](#) an updated framework on the Build Back Better Act, the massive social spending package that Congressional Democrats are currently working to pass through the budget reconciliation process. The framework’s release came after several days of negotiations between the White House, the Congressional leadership, and Sens. Joe Manchin (D-WV) and Kyrsten Sinema (D-AZ).

According to the White House, the framework includes \$1.75 trillion for new investments in universal preschool, high-quality childcare, new clean energy and climate change provisions, an expansion of the Affordable Care Act, and housing support. While the plan

does not include many of the higher education provisions outlined in the American Families Plan released earlier this year such as free community college, it does devote \$40 billion for higher education and workforce development initiatives. The framework says that it will increase the maximum Pell Grant by \$550 for the more than 5 million students enrolled in public and private, non-profit colleges and expand access to DREAMers. It will also make historic investments in Historically Black Colleges and Universities, Tribal Colleges and Universities, and minority-serving institutions to build capacity, modernize research infrastructure, and provide financial aid to low-income students. The framework will enable community colleges to train hundreds of thousands of students, create sector-based training opportunity with in-demand training for at least hundreds of thousands of workers, and invest in proven approaches like Registered Apprenticeships and programs to support underserved communities. It will also increase the U.S. Department of Labor's annual spending on workforce development by 50 percent for each of the next 5 years. Lastly, it will include a new College Retention and Completion Grant program to help more students complete their degree or credential.

Following the release of the framework, President Joe Biden went to Capitol Hill to discuss the latest plan to move the Build Back Better Act and a separate bipartisan infrastructure package through the House and Senate. House Speaker Nancy Pelosi (D-CA) told her party that she would like to schedule a vote on the infrastructure package for later today now that there is a framework in place. But progressives were noncommittal on the so-called "deal" and said that they need to see legislative language before they would commit to vote for the infrastructure package and want commitments from Sens. Manchin and Sinema that they will support the final social spending bill. Signaling that the framework is not necessarily final, Senate Budget Committee Chairman Bernie Sanders (D-VT), who would lead passage of the bill in the upper chamber, said that the framework would be one of the most consequential pieces of legislation to pass Congress since the 1960s but he is interested in restoring some progressive priorities that were nixed in order to reduce the price tag of the overall package from \$3.5 trillion to \$1.75 trillion over the last few weeks.

For more coverage, see these articles from [The Hill](#) and [Roll Call](#).

## Senate Banking Committee Holds Hearing on Semi-Annual Report of CFPB

Today, the Senate Banking, Housing, and Urban Affairs Committee held a hearing titled, "New Era for Consumer Protection: The Consumer Financial Protection Bureau's Semi-

Annual Report to Congress.” The hearing was a counterpart to yesterday’s hearing before the House Financial Services Committee. As was the case yesterday, the sole witness for today’s hearing was Rohit Chopra, who was recently sworn in as Director of the Consumer Financial Protection Bureau (CFPB).

In his [opening statement](#), Committee Chairman Sherrod Brown (D-OH) said that it is the job of the CFPB to stand up for millions of Americans who need protection. He said that many people believe that they do not have a voice in our economy or anyone on their side in the federal government, and that he hopes Director Chopra will prove them wrong. He said that there are bad actors masquerading as federal workers conning families out of money, promising them early access to a COVID-19 vaccine, student loan debt relief, and even funeral expense benefits. He said that is why Congress created the CFPB and the Biden Administration has ushered in a new era of consumer protection. Chairman Brown then commended the CFPB leadership, saying that this year it is helping people with federal student loans as loan payment moratoriums end. He closed his statement by urging Director Chopra to vigorously enforce consumer protection laws and crack down on corporations that routinely and repeatedly violate orders issued by the Bureau. In his [opening statement](#), Ranking Member Pat Toomey (R-PA) criticized the Bureau, saying: “In less than ten months, the Biden CFPB has disregarded its jurisdictional limits, rescinded policies that provided regulatory clarity, returned to regulating by enforcement actions rather than rules, reportedly pushed out career civil servants for political reasons, and refused to comply with congressional oversight.” He closed by saying that even though the Director has been in office for less than a month, there is still time to reverse course, starting with ending the practice of regulation-by-enforcement.

In his [testimony](#), which was essentially the same as yesterday, Director Chopra stated that 2021 is different than 2020 with the economy reopening and growing, though the recovery has been uneven. He said that household debt has started to increase at a faster pace, with \$15 trillion being owed by consumers, \$800 billion more than at the end of 2019. He said \$1.4 trillion of that amount was auto debt, meaning that such debt is almost at the level of student loans. He said the Coronavirus Aid, Relief, and Economic Security or CARES Act has kept delinquency rates for mortgages and student loans at low levels. But many of the programs have expired. He outlined three areas of focus for the Bureau going forward. First, Director Chopra said that he hopes to stimulate greater competitive intensity in consumer financial markets. “When I was last at the CFPB, we undertook a number of initiatives to promote student loan refinancing options for borrowers to obtain lower rates and better loan servicing.” He said that there are many other places where greater competition would benefit households and businesses alike. Second, he indicated that the CFPB will sharpen its focus on repeat offenders. Finally, he said the Bureau will

look for ways to restore relationship banking in the era of big data.

During the question-and-answer portion of the hearing, Sen. Bob Menendez (D-NJ) asked about student loan servicing, focusing on transfers as some of the current federal student loan servicers exit the program. Mr. Chopra said that he is worried about the situation and will be looking into it, working together with the U.S. Department of Education. He also said that large student loan servicers are subject to supervision by the Bureau. Sen. Jon Tester (D-MT) asked for thoughts on the Public Service Loan Forgiveness (PSLF), saying administration of the program has been unacceptable. Mr. Chopra commented that multiple administrations have “botched” management of the program, and companies that lied to borrowers and broken the law should be held accountable. Sen. Chris Van Hollen (D-MD) followed up by applauding the Department of Education’s action to waive some of the eligibility rules around the PSLF program. Sen. Bill Hagerty (R-TN) suggested that the Bureau’s civil money penalty fund should be used for victim redress, rather than for financial literacy. Mr. Chopra said that Congress has authorized this fund to be used for financial literacy programs but agreed victim relief should be the priority. He said he would look into the administration of financial literacy programs, including disbursements.

For additional coverage of the hearing, including an archived webcast, visit the [committee website](#).

## FCC Announces Launch of Reassigned Numbers Database

Today, the Federal Communications Commission (FCC) announced the launch of its new Reassigned Numbers Database on November 1, 2021. The database is designed to prevent a consumer from getting unwanted calls intended for someone who previously held their phone number. On November 1, paid subscribers to the database, including callers and caller agents, will be able to determine whether a telephone number has been reassigned from the consumer they intend to reach, allowing them to avoid calling consumers with reassigned numbers who may not wish to receive their call. The Reassigned Numbers Database will be available at [www.reassigned.us](http://www.reassigned.us). “The database’s launch is the culmination of several years of work by the commission, voice service providers, and callers to reduce the number of unwanted calls consumers receive,” said Patrick Webre, Chief of the Consumer and Governmental Affairs Bureau at the FCC. “This is a win-win for consumers and callers: Not only will consumers receive fewer calls meant for someone else, but callers will also be better able to reach those they wish to call.”

## Community College Students Hold Rally to Push for Free College Despite Long Odds

Yesterday, roughly 50 community college students held a rally at the U.S. Capitol in Washington, DC to urge Congressional Democrats not to remove a new free community college program from the final version of the Build Back Better Act. The demonstration came after President Joe Biden told House Democrats last week that his plan to cover two years of community college tuition for all adults would be stripped from the package to help reduce its overall cost and to address concerns raised by moderate Democrats. But student activists, who have been clamoring for years for tuition relief, said that they are unwilling to accept that free college is no longer part of the conversation. “Some may say we’re at the finish line and negotiations are done, but the bill is not final,” said Juvanie Piquant, a student at City University of New York and a member of RISE, the student-run progressive advocacy group that organized the small rally. “We must continue to fight, fight, fight.” After the rally, the students met with Rep. Andy Levin (D-MI) and Sen. Tammy Baldwin (D-WI), two proponents of the free community college program.

For more coverage, see this article from [The Chronicle of Higher Education](#).

## Progressive Groups Call for “Bolder Action” on Student Loan Reform

Several progressive groups, led by the Demand Progress Education Fund, Blue Future, and Revolving Door Project, sent a letter to Education Secretary Miguel Cardona commending the U.S. Department of Education’s efforts to fix the problems with the Public Service Loan Forgiveness program and address automatic discharges for students with total and permanent disabilities. However, the groups raise concerns that the Department has not put in place a plan to provide mass federal student loan forgiveness, including releasing the memo that the Department and the U.S. Department of Justice are said to be working on to determine whether the administration has the executive authority to forgive debt. The letter also questions several contract extensions for federal student loan servicers. “We commend your early moves to approve targeted relief to our public servants, borrowers with disabilities, and students defrauded by certain for-profit colleges,” the letter concludes. “But we need even bolder action to address the nation’s student debt crisis. This must start with broad student debt relief, holding loan servicers accountable, and dropping the defense of [former Secretary] Betsy DeVos in litigation aimed at bringing structural change to the federal student loan system.

# U.S. Department of Education News

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

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## General News

[Higher Ed Dive](#) includes an op-ed by Third Way Senior Education Policy Advisor Michelle Dimino and MDRC Research Associate for Postsecondary Education Alyssa Ratledge who argue that Congress can move the needle on college completion with the first-of-its-kind grant for retention and completion initiatives. A College Completion Fund would be a landmark federal investment in getting students across the finish line to a college degree.

[The Washington Post](#) reports that three weeks after the U.S. Department of Education announced a temporary expansion of the Public Service Loan Forgiveness program, the contractors charged with guiding student and parent borrowers are still awaiting guidance themselves.

[Fortune](#) reports that Education Secretary Miguel Cardona recently said that conversations on mass student loan debt cancellation are “continuing.”

[Forbes](#) publishes a column on the five things that student and parent borrowers should know about the end of the pause on federal student loan payments currently scheduled for February 1st.

[U.S. News and World Reports](#) examines what students and families can do if a college is closing. Students caught in a college closure should know that transfer options and student loan relief may be available.

[JD Supra](#) reports that the Consumer Financial Protection Bureau's first consent order under Director Rohit Chopra confirms a return by the Bureau to pushing the envelope.

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