

## **Federal Policy and Advocacy Update**

*(Provided by the California Community Colleges Chancellor's Office. Information current as of March 1, 2024).*

### **LEGISLATIVE UPDATE**

In late February, the House of Representatives was expected to vote on Bipartisan Workforce Pell Act, or House Resolution (H.R.) 6586. This bipartisan legislation that would allow students to use Pell Grants to pay for education programs as short as eight weeks long, versus the current 15-week minimum. However, facing significant opposition in the days leading up to the potential vote, the bill was pulled. Unions and other notable education organizations such as the American Council on Education were concerned that it would potentially strain the Pell Grant budget moving forward. Other organizations were concerned that the short-term Pell proposal would be offset by charging wealthy private universities for the costs of federal student loan balances that are not repaid by their students.

### **ADMINISTRATIVE UPDATE**

On February 21<sup>st</sup>, the U.S. Department of Education (USED) announced the automatic discharge of \$1.2 billion in loans for nearly 153,000 borrowers who are eligible for the shortened time to forgiveness benefit under the Saving on a Valuable Education (SAVE) Plan. Borrowers are eligible for this forgiveness if they are enrolled in the SAVE Plan, have been making at least 10 years of payments, and have originally taken out \$12,000 or less for college. For every \$1,000 borrowed above \$12,000, a borrower can receive forgiveness after an additional year of payments. All borrowers on SAVE receive forgiveness after 20 or 25 years, depending on whether they have loans for graduate school. Borrowers eligible for forgiveness now require no action on their part to have their debt discharged. Of the 153,000 borrowers, 13,580 are from California, amounting to \$114.8 million in debt forgiven for Californians alone.

USED has also acknowledged the concerns raised by colleges, parents, and faculty regarding FAFSA completion for students of parents without a social security number (SSN) and has provided a temporary solution with step-by-step instructions for these students to follow. According to USED, they are working on improvements to the StudentAid.gov account creation process for those without SSNs and intend to have those ready by the end of February 2024.